

		FOR OFF USE				

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2005
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2005)

IMPORTANT NOTICE
 THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION
 THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY
 PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE
 OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE
 ANY INFORMATION ON OR BEFORE THE DUE DATE WILL
 RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM
 HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

I. IDPH Facility ID Number: <u>0028860</u>		II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER	
Facility Name: <u>Lexington Health Care Center-Lombard</u>		I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>01/01/05</u> to <u>12/31/05</u> and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.	
Address: <u>2100 South Finley Road</u> <u>Lombard</u> <u>60148</u> Number City Zip Code		Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.	
County: <u>Dupage</u>		(Signed) _____ (Date) _____	
Telephone Number: <u>(630) 495-4000</u> Fax # <u>(630) 495-2809</u>		(Type or Print Name) _____	
IDPA ID Number: <u>363252724001</u>		(Title) _____	
Date of Initial License for Current Owners: <u>10/09/84</u>		(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> (Date) _____	
Type of Ownership:		(Print Name and Title) _____	
<input type="checkbox"/> VOLUNTARY, NON-PROFIT <input type="checkbox"/> Charitable Corp. <input type="checkbox"/> Trust IRS Exemption Code _____		(Firm Name & Address) <u>Altschuler, Melvoin and Glasser LLI</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u>	
<input checked="" type="checkbox"/> PROPRIETARY <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input checked="" type="checkbox"/> "Sub-S" Corp. <input type="checkbox"/> Limited Liability Co. <input type="checkbox"/> Trust <input type="checkbox"/> Other _____		(Telephone) <u>(312) 384-6000</u> Fax # <u>(312) 634-5518</u>	
<input type="checkbox"/> GOVERNMENTAL <input type="checkbox"/> State <input type="checkbox"/> County <input type="checkbox"/> Other _____		MAIL TO: BUREAU OF HEALTH FINANCE ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630	
In the event there are further questions about this report, please contact Name: <u>Charles J. Fischer</u> Telephone Number: <u>(312) 634-4580</u> Please send copies of desk review and audit adjustments to address on this page			

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 2

Facility Name & ID Number Lexington Health Care Center-Lombard# 0028860 Report Period Beginning: 01/01/05 Ending: 12/31/05

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days,
(must agree with license). Date of change in licensed bedsN/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>224</u>	Skilled (SNF)	<u>224</u>	<u>81,760</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>224</u>	TOTALS	<u>224</u>	<u>81,760</u>	7

B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF	<u>20,323</u>	<u>13,277</u>	<u>11,666</u>	<u>45,266</u>	8
9	SNF/PED					9
10	ICF	<u>18,596</u>	<u>6,970</u>	<u>776</u>	<u>26,342</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>38,919</u>	<u>20,247</u>	<u>12,442</u>	<u>71,608</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed
bed days on line 7, column 4.) 87.58%

D. How many bed-hold days during this year were paid by the Department?

None (Do not include bed-hold days in Section B.)E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)None

F. Does the facility maintain a daily midnight census?

YesG. Do pages 3 & 4 include expenses for services or
investments not directly related to patient care?YES ☒NO ☐Non-allowable costs have been
eliminated in Schedule V, Column 7.

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES ☐NO ☒

I. On what date did you start providing long term care at this location

Date started 10/09/1984

J. Was the facility purchased or leased after January 1, 1978?

YES ☐Date New constructionNO ☒

K. Was the facility certified for Medicare during the reporting year?

YES ☒NO ☐

If YES, enter number

of beds certified 224 and days of care provided 10,146Medicare Intermediary AdminaStar Federal

IV. ACCOUNTING BASIS

ACCRAU ☒ MODIFIED
CASH* ☐ CASH* ☐

Is your fiscal year identical to your tax year YES ☒ NO ☐Tax Year: 12/31/2005 Fiscal Year: 12/31/2005

* All facilities other than governmental must report on the accrual basis

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

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Facility Name & ID Number Lexington Health Care Center-Lombard # 0028860 Report Period Beginning: 01/01/05 Ending: 12/31/05

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	A. General Services										
1	Dietary	342,591	31,973	12,445	387,009		387,009		387,009		1
2	Food Purchase		291,609		291,609		291,609	(12,696)	278,913		2
3	Housekeeping	289,015	41,917		330,932		330,932	314	331,246		3
4	Laundry	96,938	20,076		117,014		117,014	(9,181)	107,833		4
5	Heat and Other Utilities			271,890	271,890		271,890	4,970	276,860		5
6	Maintenance	31,977		139,262	171,239		171,239	50,649	221,888		6
7	Other (specify):* Allocated Benefits							5,109	5,109		7
8	TOTAL General Services	760,521	385,575	423,597	1,569,693		1,569,693	39,165	1,608,858		8
	B. Health Care and Programs										
9	Medical Director			48,000	48,000		48,000		48,000		9
10	Nursing and Medical Records	3,591,044	245,558	36,778	3,873,380		3,873,380	87,747	3,961,127		10
10a	Therapy			830,084	830,084		830,084		830,084		10a
11	Activities	245,087	21,480	4,521	271,088		271,088		271,088		11
12	Social Services	128,506		4,782	133,288		133,288		133,288		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* Allocated Benefits							9,760	9,760		15
16	TOTAL Health Care and Programs	3,964,637	267,038	924,165	5,155,840		5,155,840	97,507	5,253,347		16
	C. General Administration										
17	Administrative	112,665		1,044,314	1,156,979		1,156,979	(942,546)	214,433		17
18	Directors Fees										18
19	Professional Services			129,952	129,952		129,952	(27,819)	102,133		19
20	Dues, Fees, Subscriptions & Promotion			11,572	11,572		11,572	1,530	13,102		20
21	Clerical & General Office Expense	166,347	33,555	18,329	218,231		218,231	314,413	532,644		21
22	Employee Benefits & Payroll Tax			693,766	693,766		693,766	12,412	706,178		22
23	Inservice Training & Education			2,050	2,050		2,050		2,050		23
24	Travel and Seminar			12,838	12,838		12,838	3,378	16,216		24
25	Other Admin. Staff Transportation			37	37		37	11,956	11,993		25
26	Insurance-Prop.Liab.Malpractice			371,628	371,628		371,628	4,179	375,807		26
27	Other (specify):* Allocated Benefits							44,912	44,912		27
28	TOTAL General Administration	279,012	33,555	2,284,486	2,597,053		2,597,053	(577,585)	2,019,468		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	5,004,170	686,168	3,632,248	9,322,586		9,322,586	(440,913)	8,881,673		29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

STATE OF ILLINOIS

Page 4

Facility Name & ID Number Lexington Health Care Center-Lombard #0028860 Report Period Beginning: 01/01/05 Ending: 12/31/05

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			140,535	140,535		140,535	143,682	284,217			30
31	Amortization of Pre-Op. & Org											31
32	Interest			16,432	16,432		16,432	152,708	169,140			32
33	Real Estate Taxes							145,153	145,153			33
34	Rent-Facility & Grounds			1,342,214	1,342,214		1,342,214	(1,338,586)	3,628			34
35	Rent-Equipment & Vehicle			8,708	8,708		8,708	2,529	11,237			35
36	Other (specify): ³											36
37	TOTAL Ownership			1,507,889	1,507,889		1,507,889	(894,514)	613,375			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Center:		306,951		306,951		306,951		306,951			39
40	Barber and Beauty Shops			33,558	33,558		33,558		33,558			40
41	Coffee and Gift Shop:			2,858	2,858		2,858		2,858			41
42	Provider Participation Fee			122,640	122,640		122,640		122,640			42
43	Other (specify): ³ Nonallowable Cost			200,684	200,684		200,684	(200,684)				43
44	TOTAL Special Cost Centers		306,951	359,740	666,691		666,691	(200,684)	466,007			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	5,004,170	993,119	5,499,877	11,497,166		11,497,166	(1,536,111)	9,961,055			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

**See Schedule of adjustments attached at end of cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

In column 2 below, reference the line on which the particular cost was included. (See instructions.)

	NON-ALLOWABLE EXPENSES	1 Amount	2 Refer- ence	3 OHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Program				3
4	Non-Patient Meals	(284)	2		4
5	Telephone, TV & Radio in Resident Room	(5,185)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patient				7
8	Laundry for Non-Patients	(9,181)	4		8
9	Non-Straightline Depreciation	252	30		9
10	Interest and Other Investment Income	20	32		10
11	Discounts, Allowances, Rebates & Refund				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(1,463)	43		13
14	Non-Care Related Interest	(67)	32		14
15	Non-Care Related Owner's Transaction				15
16	Personal Expenses (Including Transportation				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions	(4,733)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainer				22
23	Malpractice Insurance for Individual				23
24	Bad Debt	(120,163)	43		24
25	Fund Raising, Advertising and Promotion	(15,017)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(43,852)	43		26
27	CNA Training for Non-Employee				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See attached Schedule A	(74,092)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (273,765)		\$	30

OHF USE ONLY							
48		49		50		51	52

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below. (See instructions.)

		1 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule	\$		31
32	Donated Goods-Attach Schedule			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(1,262,346)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (1,262,346)		36
37	TOTAL ADJUSTMENTS (A) and (B)	\$ (1,536,111)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1 Yes	2 No	3 Amount	4 Reference	
38	Medically Necessary Transport		x	\$		38
39						39
40	Gift and Coffee Shop		x			40
41	Barber and Beauty Shops		x			41
42	Laboratory and Radiology		x			42
43	Prescription Drugs		x			43
44	Exceptional Care Program		x			44
45	Other-Attach Schedule		x			45
46	Other-Attach Schedule		x			46
47	TOTAL (C): (sum of lines 38-46)			\$		47

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington Health Care Center-Lombard
Provider # 0028660
01/01/05 to 12/31/05

Schedule A

VI. Adjustment Detail
Line 29 - Other

<u>Description</u>	<u>Amount</u>	<u>Reference</u>
Offset miscellaneous income	(316)	21
Disallow Chamber of Commerce dues	(340)	20
Disallow radiology	(16,264)	43
Disallow laboratory	(7,859)	43
Disallow trust fees	(450)	43
Non-allowable collection fees	(46,006)	19
Disallow out of period legal fees	(2,857)	19
Total	<u>(74,092)</u>	

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 5A

Lexington Health Care Center-Lombard

ID# 0028860

Report Period Beginning: 01/01/05

Ending: 12/31/05

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference
1		\$	1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32
33			33
34			34
35			35
36			36
37			37
38			38
39			39
40			40
41			41
42			42
43			43
44			44
45			45
46			46
47			47
48			48
49	Total	0	49

Summary A

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

Report Period Beginning:

Ending:

12/31/05

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

[illegible]

Summary B

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

[illegible]

Facility Name & ID Number Lexington Health Care Center-Lombard# 0028860Report Period Beginning: 01/01/05 Ending: 12/31/05

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
James Samatas	33.33%	See Attached Schedule B	See Attached	Lexington Health		
John Samatas	33.33%		Schedule B	Care Systems of		
Cynthia Thiem	33.34%			Lombard Ltd. Ptsp.	Lombard	Real Estate Ptsp.
				Royal Mgmt. Corp.	Lombard	Mgmt. Co.

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization		
1	V	34 Rental expense	\$ 1,342,214	Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	\$	(1,342,214)	1
2	V	19 Professional fees		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	250	250	2
3	V	21 Office supplies		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	181	181	3
4	V	30 Depreciation		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	110,681	110,681	4
5	V	32 Interest expense		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	140,804	140,804	5
6	V	32 Amortization of mortgage cost:		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	2,454	2,454	6
7	V	33 Property taxes		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	142,214	142,214	7
8	V	43 State replacement tax		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	13,852	13,852	8
9	V	43 Trust fees		Lexington Health Care Systems of Lombard Ltd. Ptsp.	**	450	450	9
10	V							10
11	V			** - The owners of Lexington Health Care Center of Lombard, Inc. own				11
12	V			100% of Lexington Health Care Systems of Lombard Limited Partnership				12
13	V							13
14	Total		\$ 1,342,214			\$ 410,886	\$ * (931,328)	14

* Total must agree with the amount recorded on line 34 of Schedule V1

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington Health Care Center of Lombard, Inc.

Provider # 0028660

1/1/05 - 12/31/05

Schedule B

VII. Related Parties

Related Nursing Homes

<u>Name of facility</u>	<u>City</u>
Lexington Health Care Center of Schaumburg, Inc.	Schaumburg
Lexington Health Care Center of Bloomingdale, Inc.	Bloomingdale
Lexington Health Care Center of Chicago Ridge, Inc.	Chicago Ridge
Lexington Health Care Center of Elmhurst, Inc.	Elmhurst
Lexington Health Care Center of LaGrange, Inc.	LaGrange
Lexington Health Care Center of Lake Zurich, Inc.	Lake Zurich
Lexington Health Care Center of Streamwood, Inc.	Streamwood
Lexington Health Care Center of Wheeling, Inc.	Wheeling
Lexington Health Care Center of Orland Park, Inc.	Orland Park

See Accountants' Compilation Report

Facility Name & ID Number Lexington Health Care Center-Lombard# 0028860Report Period Beginning: 01/01/05Ending: 12/31/05

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	3 Housekeeping supplies	\$	Royal Management Corp.	**	\$ 314	\$ 314
16	V	5 Utilities - gas & electric		Royal Management Corp.	**	4,504	4,504
17	V	5 Utilities - water & sewer		Royal Management Corp.	**	112	112
18	V	5 Utilities - maintenance office		Royal Management Corp.	**	354	354
19	V	6 Management allocation - salarie		Royal Management Corp.	**	44,998	44,998
20	V	6 Repairs & maintenanc		Royal Management Corp.	**	5,527	5,527
21	V	6 Scavenger & exterminat		Royal Management Corp.	**	110	110
22	V	6 Security service		Royal Management Corp.	**	14	14
23	V	7 Management allocation - employee benefit		Royal Management Corp.	**	5,109	5,109
24	V	10 Medical consultant		Royal Management Corp.	**	1,793	1,793
25	V	10 Management allocation - salarie		Royal Management Corp.	**	85,954	85,954
26	V	15 Management allocation - employee benefit		Royal Management Corp.	**	9,760	9,760
27	V	17 Management allocation - salarie		Royal Management Corp.	**	101,768	101,768
28	V	19 Computer consultant & supplies		Royal Management Corp.	**	15,102	15,102
29	V	19 Professional fees		Royal Management Corp.	**	5,692	5,692
30	V	20 Dues & subscriptions		Royal Management Corp.	**	691	691
31	V	20 Licenses, permits & inspections		Royal Management Corp.	**	4	4
32	V	20 Advertising - help wanted		Royal Management Corp.	**	1,175	1,175
33	V	21 Management allocation - salarie		Royal Management Corp.	**	293,776	293,776
34	V	21 Bank charges		Royal Management Corp.	**	430	430
35	V	21 Office supplies & printing		Royal Management Corp.	**	9,719	9,719
36	V	21 Postage		Royal Management Corp.	**	3,629	3,629
37	V						
38	V	** Certain owners of Lexington Health Care Center of Lombard, Inc. own 100% of Royal Management Corp.					
39	Total		\$			\$ 590,535	\$ * 590,535

* Total must agree with the amount recorded on line 34 of Schedule VI

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington Health Care Center-Lombard

0028860

Report Period Beginning: 01/01/05

Ending: 12/31/05

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	21 Telephone	\$	Royal Management Corp.	**	\$ 6,994	\$ 6,994
16	V	24 Travel & seminar		Royal Management Corp.	**	3,378	3,378
17	V	25 Auto expense		Royal Management Corp.	**	11,956	11,956
18	V	26 Insurance genera		Royal Management Corp.	**	4,179	4,179
19	V	27 Management allocation - employee benefit		Royal Management Corp.	**	44,912	44,912
20	V	30 Depreciation - vehicles		Royal Management Corp.	**	4,355	4,355
21	V	30 Depreciation - leasehold improv		Royal Management Corp.	**	7,229	7,229
22	V	30 Depreciation - equipment		Royal Management Corp.	**	21,165	21,165
23	V	32 Interest		Royal Management Corp.	**	9,478	9,478
24	V	32 Amortization of mortgage cost		Royal Management Corp.	**	19	19
25	V	33 Property taxes		Royal Management Corp.	**	2,939	2,939
26	V	34 Rent expense		Royal Management Corp.	**	3,628	3,628
27	V	35 Equipment rental		Royal Management Corp.	**	2,529	2,529
28	V	17 Management fees	1,044,314	Royal Management Corp.	**		(1,044,314)
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V	** Certain owners of Lexington Health Care Center of Lombard, Inc. own 100% of Royal Management Corp.					
39	Total		\$ 1,044,314			\$ 122,761	\$ * (921,553)

* Total must agree with the amount recorded on line 34 of Schedule VI

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 7

Facility Name & ID Number Lexington Health Care Center-Lombard # 0028860 Report Period Beginning: 01/01/05 Ending: 12/31/05

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	James Samatas	Owner/officer	Administrative	33.33%	See Schedule C	4.4	11%	Salary	\$ 34,757	L17, C7	1
2	John Samatas	Owner/officer	Admin/Plant Ops.	33.33%	See Schedule C	4.4	11%	Salary	24,827	L17, C7	2
3	Cynthia Thiem	Owner/officer	Administrative	33.34%	See Schedule C	4.4	11%	Salary	24,827	L17, C7	3
4	Jason Samatas	VP of Operations	Administrative	0.00%	See Schedule C	4.4	11%	Salary	17,357	L17, C7	4
5	Daniel Thiem	Staff Accountant	Accounting	0.00%	See Schedule C	0.8	2%	Salary	1,630	L21, C7	5
6	Jeremy Samatas	Corporate Director	Quality Assurance	0.00%	See Schedule C	4.4	11%	Salary	8,509	L10, C7	6
7											7
8						All individuals work in excess of 40 hours per week.					8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 111,907		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees).
FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME,
ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington Health Care Center-Lombard# 0028860Report Period Beginning: 01/01/05Ending: 12/31/05

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

Name of Related Organization Royal Management Corp.
 Street Address 665 W. North Avenue, Suite 500
 City / State / Zip Code Lombard, IL 60148
 Phone Number (630) 458-4700
 Fax Number (630) 458-4796

B. Show the allocation of costs below. If necessary, please attach worksheets

1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	3	Housekeeping supplies	Bed Days	743,165	10	\$ 2,852	\$ 81,760	\$ 314	1
2	5	Utilities - gas & electric	Bed Days	743,165	10	40,939	81,760	4,504	2
3	5	Utilities - water & sewer	Bed Days	743,165	10	1,020	81,760	112	3
4	5	Utilities - maintenance office	Bed Days	743,165	10	3,218	81,760	354	4
5	6	Management allocation - salaries	Bed Days	743,165	10	409,014	409,014	44,998	5
6	6	Repairs & maintenance	Bed Days	743,165	10	50,234	81,760	5,527	6
7	6	Scavenger & exterminating	Bed Days	743,165	10	998	81,760	110	7
8	6	Security service	Bed Days	743,165	10	129	81,760	14	8
9	7	Management allocation - employees	Bed Days	743,165	10	46,441	81,760	5,109	9
10	10	Medical consultant	Bed Days	743,165	10	16,297	81,760	1,793	10
11	10	Management allocation - salaries	Bed Days	743,165	10	781,289	781,289	85,954	11
12	15	Management allocation - employees	Bed Days	743,165	10	88,711	81,760	9,760	12
13	17	Management allocation - salaries	Bed Days	743,165	10	925,033	925,033	101,768	13
14	19	Computer consultant & supplies	Bed Days	743,165	10	137,269	81,760	15,102	14
15	19	Professional fees	Bed Days	743,165	10	51,742	81,760	5,692	15
16	20	Dues & subscriptions	Bed Days	743,165	10	6,285	81,760	691	16
17	20	Licenses, permits & inspections	Bed Days	743,165	10	39	81,760	4	17
18	20	Advertising - help wanted	Bed Days	743,165	10	10,677	81,760	1,175	18
19	21	Management allocation - salaries	Bed Days	743,165	10	2,670,308	2,670,308	293,776	19
20	21	Bank charges	Bed Days	743,165	10	3,905	81,760	430	20
21	21	Office supplies & printing	Bed Days	743,165	10	88,340	81,760	9,719	21
22	21	Postage	Bed Days	743,165	10	32,985	81,760	3,629	22
23	21	Telephone	Bed Days	743,165	10	63,577	81,760	6,994	23
24	24	Travel and seminars	Bed Days	743,165	10	30,702	81,760	3,378	24
25	TOTALS					\$ 5,462,004	\$ 4,785,644	\$ 600,907	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington Health Care Center-Lombard# 0028860Report Period Beginning: 01/01/05Ending: 12/31/05

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

Name of Related Organization Royal Management Corp.
 Street Address 665 W. North Avenue, Suite 500
 City / State / Zip Code Lombard, IL 60148
 Phone Number (630) 458-4700
 Fax Number (630) 458-4796

B. Show the allocation of costs below. If necessary, please attach worksheets

1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	25	Auto expense	Bed Days	10	\$ 108,672	\$	81,760	\$ 11,956	1
2	26	Insurance genera	Bed Days	10	37,986		81,760	4,179	2
3	27	Management allocation - employe	Bed Days	10	408,231		81,760	44,912	3
4	30	Depreciation - vehicles	Bed Days	10	39,587		81,760	4,355	4
5	30	Depreciation - leasehold improv	Bed Days	10	65,712		81,760	7,229	5
6	30	Depreciation - equipment	Bed Days	10	192,380		81,760	21,165	6
7	32	Interest	Bed Days	10	86,153		81,760	9,478	7
8	32	Amortization of mortgage cost	Bed Days	10	174		81,760	19	8
9	33	Property taxes	Bed Days	10	26,714		81,760	2,939	9
10	34	Rent expense	Bed Days	10	32,978		81,760	3,628	10
11	35	Equipment rental	Bed Days	10	22,992		81,760	2,529	11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$ 1,021,579	\$		\$ 112,389	25

SEE ACCOUNTANTS' COMPILATION REPORT

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1		2		3	4	5	6		7	8	9	10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense		
		YES	NO				Original	Balance					
	A. Directly Facility Related												
	Long-Term												
1	GMAC		X	Mortgage	\$39,766.00	4/11/94	\$ 3,978,766	\$ 1,404,870	4/11/09	0.0875	\$ 140,804	1	
2												2	
3												3	
4												4	
5												5	
	Working Capital												
6	LaSalle Bank, N.A.		X	Line of Credit	Varies	04/06/02	750,000	250,000	05/31/06	Prime	16,365	6	
7												7	
8												8	
9	TOTAL Facility Related				\$39,766.00		\$ 4,728,766	\$ 1,654,870			\$ 157,169	9	
	B. Non-Facility Related*												
10								Interest income offset			20	10	
11								Amortization of mortgage costs			2,454	11	
12								Allocation from management company			9,497	12	
13												13	
14	TOTAL Non-Facility Related						\$	\$			\$ 11,971	14	
15	TOTALS (line 9+line14)						\$ 4,728,766	\$ 1,654,870			\$ 169,140	15	

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ N/A Line # N/A

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7
(See instructions.) SEE ACCOUNTANTS' COMPILATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

B. Real Estate Taxes

SEE ACCOUNTANTS' COMPILATION REPORT

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2004 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2004 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2004.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2004 real estate tax bill to the Department of Public Aid, Bureau of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2005 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Bureau of Health Finance at (217) 782-1630.

2004 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lexington Health Care Center-Lombard COUNTY Dupage

FACILITY IDPH LICENSE NUMBER 0028860

CONTACT PERSON REGARDING THIS REPORT Susan Rojek

TELEPHONE (630) 458-4700 FAX #: (630) 458-4795

A. **Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2004 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2004.

(A)	(B)	(C)	(D) <u>Tax</u> <u>Applicable to</u> <u>Nursing Home</u>
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	
1. <u>06-19-307-002</u>	<u>Building and land</u>	\$ <u>140,451.16</u>	\$ <u>140,451.16</u>
2. <u>Royal Management Corp. (Samvest of Lombard II)</u>		\$ <u>77,680.00</u>	\$ <u>2,939.00</u>
3. <u>05-01-202-019</u>		\$ _____	\$ _____
4. _____		\$ _____	\$ _____
5. _____		\$ _____	\$ _____
6. _____		\$ _____	\$ _____
7. _____		\$ _____	\$ _____
8. _____		\$ _____	\$ _____
9. _____		\$ _____	\$ _____
10. _____		\$ _____	\$ _____
TOTALS		\$ <u>218,131.16</u>	\$ <u>143,390.16</u>

B. **Real Estate Tax Cost Allocations**

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? YES X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home.
(Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. **Tax Bills**

Attach a copy of the original 2004 tax bills which were listed in Section A to this statement. Be sure to use the 2004 tax bill which is normally paid during 2005.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington Health Care Center-Lombard# 0028860 Report Period Beginning:

01/01/05 Ending:

12/31/05

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 78,770 B. General Construction Type: Exterior Concrete Block Frame Steel Number of Stories 3C. Does the Operating Entity? ☐ (a) Own the Facility ☒ (b) Rent from a Related Organization ☐ (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions)

D. Does the Operating Entity? ☒ (a) Own the Equipment ☒ (b) Rent equipment from a Related Organization ☒ (c) Rent equipment from Completely Unrelated Organization

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's ground (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc). List entity name, type of business, square footage, and number of beds/units available (where applicable)

Lombard Lexington Square Life Care, Inc.: Retirement Community; 261 units; 309,000 square feetF. Does this cost report reflect any organization or pre-operating costs which are being amortized? ☐ YES ☒ NO
If so, please complete the following:1. Total Amount Incurred: N/A 2. Number of Years Over Which it is Being Amortized N/A
3. Current Period Amortization: N/A 4. Dates Incurred: N/A

Nature of Costs:

(Attach a complete schedule detailing the total amount of organization and pre-operating costs)

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	<u>Resident Care</u>	<u>30,000</u>	<u>1984</u>	<u>\$ 616,761</u>	<u>1</u>
2	<u>Allocated from management company</u>			<u>17,683</u>	<u>2</u>
3	TOTALS			\$ 634,444	3

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 12

Facility Name & ID Number Lexington Health Care Center-Lombard

0028860

Report Period Beginning:

01/01/05

Ending:

12/31/05

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar**

	1 Beds*	FOR OHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	215		1984	1984	\$ 3,661,473	\$	35	\$ 104,614	\$ 104,614	\$ 2,220,855	4
5	9		1995	1995	284,156	8,119	35	8,119		85,246	5
6											6
7											7
8											8
	Improvement Type**										
9		Building Improvements		1990	96,217		10			96,217	9
10		Building Improvements		1991	71,493		10			71,493	10
11		Building Improvements		1994	20,200		10			20,200	11
12		Building Improvements		1995	14,535	415	35	415		4,361	12
13		Building Improvements - dishwasher hood		1996	2,748	275	10	275		2,610	13
14		Building Improvements - outside painting		1996	11,308	1,131	10	1,131		10,743	14
15		Building Improvements - dining room		1996	3,752	375	10	375		3,565	15
16		Leasehold Improvements		1992	16,299	466	35	466		6,288	16
17		Leasehold Improvements		1994	21,836		10			21,836	17
18		Leasehold Improvements - 2nd floor		1996	19,319	1,932	10	1,932		18,353	18
19		Leasehold Improvements - bathroom rehab		1996	9,216	922	10	922		8,755	19
20		Leasehold Improvements - fan coil repairs		1996	6,669	191	35	191		1,779	20
21		Land Improvements		1993	2,985	199	15	199		2,488	21
22		Land Improvements		1995	4,596	306	15	306		3,217	22
23		Capitalized Repairs		1986	1,730		10			1,730	23
24		Building Improvements - basement		1996	18,993	1,899	10	1,899		16,619	24
25		Leasehold Improvements - Corner Guards		1997	520	52	10	52		442	25
26		Leasehold Improvements - Corridor flooring		1997	10,381	1,038	10	1,038		8,823	26
27		BI: Kitchen Rehab		1998	2,494	249	10	249		1,870	27
28		Wiring for MDS project		1998	3,365	337	10	337		2,524	28
29		Install Fire Sprinklers in Mechanical Rms		1998	4,600	131	35	131		986	29
30		Tile for Lobby		1998	20,530	2,053	10	2,053		15,398	30
31		Walk in Freezers/Coolers		1998	3,182	91	35	91		682	31
32		Fire Wall Repairs		1998	12,410	355	35	355		2,659	32
33		Underground storage tank		1998	2,613		10	262	262	2,096	33
34		Repave parking lot		1999	7,625	508	15	508		3,304	34
35		Lounge Floor Tile		1999	2,964	296	10	296		1,926	35
36											36

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete.

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 12A

Facility Name & ID Number Lexington Health Care Center-Lombard

0028860

Report Period Beginning:

01/01/05

Ending:

12/31/05

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	Rewire Building	1999	\$ 9,083	\$ 260	35	\$ 260		\$ 1,687	37
38	Heat exchanger for water heater	1999	1,660		5			1,660	38
39	Compressor and tank for freezer	1999	2,924		5			2,924	39
40	Plumbing Improvements	2000	2,833	283	10	283		1,558	40
41	Relocate 2nd floor sprinklers	2000	2,200	63	35	63		346	41
42	Water heater repairs	2000	3,831	383	5	383		3,831	42
43	Automatic door	2000	4,556	130	35	130		716	43
44	Install sprinklers	2001	6,082	608	10	608		2,787	44
45	Infrared curtains for elevator	2001	4,500	450	10	450		1,875	45
46	Elevator upgrade	2002	3,006	601	5	601		2,104	46
47	Condensor	2002	2,678	536	5	536		1,876	47
48	Resurfacing Parking Lot	2003	30,690	1,535	20	1,535		3,708	48
49	Plumbing loop repairs	2003	6,125	613	10	613		1,276	49
50	Fire alarm panel/call system	2003	8,495	425	20	425		1,239	50
51	Facility Rehab - Painting	2003	6,872	687	10	687		1,534	51
52	Facility Rehab - Floor Tile	2003	28,888	1,444	20	1,444		3,305	52
53	Nurse call system	2003	49,451	2,473	20	2,473		5,151	53
54	Brick paved sidewalk/entryway	2003	5,855	293	20	293		707	54
55	Facility redecorating - painting/wallpaper	2003	314,478	15,724	20	15,724		47,172	55
56	Fire alarm panel/call system	2003	276,327	13,816	20	13,816		41,449	56
57	Floor Tile	2003	58,720	2,936	20	2,936		8,808	57
58	Carpeting/cove base	2003	29,519	2,952	10	2,952		8,855	58
59	Water heater	2004	9,209	921	10	921		1,074	59
60	Kitchen sewer and dishroom	2004	31,232	1,562	20	1,562		1,692	60
61	Landscaping	2005	3,255	68	20	68		68	61
62	HVAC	2005	8,028	67	20	67		67	62
63	Kitchen sewer, dishroom and ceiling	2005	22,924	669	20	669		669	63
64	Lobby and reception redecorating - painting/wallpaper	2005	37,999	1,267	20	1,267		1,267	64
65	Rehab therapy room - electrical, carpet, tile	2005	66,393	2,213	20	2,213		2,213	65
66	Rehab 1st floor therapy room - electrical, carpet, tile	2005	39,341	1,311	20	1,311		1,311	66
67	Wallpaper, tile, electrical for transitional unit	2005	22,946	860	20	860		860	67
68	Window treatments	2005	8,055	235	20	235		235	68
69	Tile, flooring, and wallpaper	2005	57,699	1,683	20	1,683		1,683	69
70	TOTAL (lines 4 thru 69)		\$ 5,504,063	\$ 78,408		\$ 183,284	\$ 104,876	\$ 2,792,772	70

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 5,504,063	\$ 78,408		\$ 183,284	\$ 104,876	\$ 2,792,772	1
2	Countertops	2005	846	113	5	113		113	2
3	Curtains and blinders	2005	4,672	338	5	338		338	3
4	Mini scroll	2005	527	26	5	26		26	4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21	Land improvements - management compan	2002	27,870		15	815	815	7,277	21
22	Building - management compan	2002	216,828		40	6,338	6,338	21,231	22
23	HVAC, electrical, security system - management compan	2003	2,149		30	63	63	354	23
24	Key card system - management compan	2004	338		20	9	9	24	24
25	VAV TX controls - management compan	2005	103		20	4	4	4	25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 5,757,396	\$ 78,885		\$ 190,990	\$ 112,105	\$ 2,822,139	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete.

Facility Name & ID Number Lexington Health Care Center-Lombar

0028860

Report Period Beginning:

01/01/05

Ending:

12/31/05

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instruction

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component/ Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 507,027	\$ 50,296	\$ 56,353	\$ 6,057	3 - 10 yrs	\$ 271,536	71
72	Current Year Purchases	96,518	11,354	11,354		5 yrs	11,354	72
73	Fully Depreciated Assets	947,306					947,306	73
74	Allocated from management company	215,691		21,165	21,165		108,676	74
75	TOTALS	\$ 1,766,542	\$ 61,650	\$ 88,872	\$ 27,222		\$ 1,338,872	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				\$	\$	\$	\$		\$	76
77										77
78										78
79	Allocated from management company			48,078		4,355	4,355		34,396	79
80	TOTALS			\$ 48,078	\$	\$ 4,355	\$ 4,355		\$ 34,396	80

E. Summary of Care-Related Asset

	1 Reference	2 Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 8,206,460	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 140,535	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 284,217	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 143,682	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 4,195,407	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progres

	Description	Cost	
92	Phone system	\$ 22,030	92
93			93
94			94
95		\$ 22,030	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column f

SEE ACCOUNTANTS' COMPILATION REPORT

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A
 2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
 If NO, see instructions. ☐ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6	Allocated from management company				3,628			6
7	TOTAL				\$ 3,628			7

8. List separately any amortization of lease expense included on page 4, line 34.
 This amount was calculated by dividing the total amount to be amortized
 by the length of the lease _____.

9. Option to Buy: ☐ YES ☐ NO Terms: _____ *

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? ☐ YES ☒ NO
 16. Rental Amount for movable equipment: \$ \$ 11,237 Description: Postage meter - \$179; Copier - \$8,245; Fax Machine - \$284; Allocated from management company - \$2,529
 (Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18					18
19					19
20					20
21	TOTAL		\$	\$	21

10. Effective dates of current rental agreement:
 Beginning _____
 Ending _____

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	<u>/2006</u>	\$ _____
13.	<u>/2007</u>	\$ _____
14.	<u>/2008</u>	\$ _____

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

SEE ACCOUNTANTS' COMPILATION REPORT

A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility)

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?</p> <p><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>It is the policy of this facility to only hire certified nurses aides</p> <p>If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. CLASSROOM PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
--	---	--

B. EXPENSES

ALLOCATION OF COSTS (d)

		Facility		3	4
		1	2		
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$		
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wage (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefit.
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefit.
- (c) For in-house training programs only. Do not include fringe benefit.
- (d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training CNAs from other facilities:

\$ _____

D. NUMBER OF CNAs TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
- (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.
- SEE ACCOUNTANTS' COMPILATION REPORT

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
					Units	Cost				
1	Licensed Occupational Therapist	L10A, C3	hrs	\$	5,104	\$ 362,420	\$	5,104	\$ 362,420	1
2	Licensed Speech and Language Development Therapist	L10A, C3	hrs		1,057	66,751		1,057	66,751	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	L10A, C3	hrs		8,457	400,913		8,457	400,913	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	L39, C2	# of prescripts				306,951		306,951	9
	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							
10	Academic Education		hrs							10
11	Exceptional Care Program									11
12										12
13	Other (specify):									13
14	TOTAL			\$	14,618	\$ 830,084	\$ 306,951	14,618	\$ 1,137,035	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed
Schedule XVIII-B. Salaries of unlicensed practitioners, such as CNAs, who help with the above activities should not be listed
on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 619,527	\$ 623,048	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance 527,000)	1,896,163	1,896,163	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	88,329	88,329	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	1,007	1,007	8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,605,026	\$ 2,608,547	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		634,444	13
14	Buildings, at Historical Cost		3,661,473	14
15	Leasehold Improvements, at Historical Cost	1,651,798	2,095,923	15
16	Equipment, at Historical Cost	591,124	1,814,620	16
17	Accumulated Depreciation (book methods)	(655,653)	(4,195,407)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (sp Construction in progr	22,030	22,030	22
23	Other(specify): Unamortized loan costs		8,183	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 1,609,299	\$ 4,041,266	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 4,214,325	\$ 6,649,813	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 381,637	\$ 381,637	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	250,000	250,000	29
30	Accrued Salaries Payable	325,355	325,355	30
31	Accrued Taxes Payable (excluding real estate taxes)	8,514	8,514	31
32	Accrued Real Estate Taxes(Sch.IX-B)		144,000	32
33	Accrued Interest Payable		10,244	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	See attached Schedule E	153,335	192,524	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 1,118,841	\$ 1,312,274	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		1,404,870	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$	\$ 1,404,870	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 1,118,841	\$ 2,717,144	46
47	TOTAL EQUITY (page 18, line 24)	\$ 3,095,484	\$ 3,932,669	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 4,214,325	\$ 6,649,813	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Lexington Health Care Center of Lombard, Inc.

Provider # 0028860

1/1/05 - 12/31/05

Schedule E

XV. Balance Sheet

C. Current Liabilities

36. Other Current Liabilities

Description	Operating	After Consolidation
Bond Withholding	859	859
Accrued Rent	25,811	
Accrued 401 (k) contribution	31,795	31,795
Other accrued expenses	73,333	73,333
Due to related party	21,537	21,537
Due to partners		65,000
Total line 36	153,335	192,524

XVII. Income Statement

E. Other Revenue

28. Other Revenue

Description	Amount
Service Availability Fee	577,045
Miscellaneous Income	316
Total line 28	577,361

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 3,036,556	1
2	Restatements (describe):		2
3			3
4	Post closing adjustment	127,713	4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 3,164,269	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	1,767,215	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	(1,836,000)	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (68,785)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ 3,095,484	24 *

Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 19

Facility Name & ID Number Lexington Health Care Center-Lombard

0028860

Report Period Beginning: 01/01/05

Ending:

12/31/05

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required

classifications of revenue and expense must be provided on this form, even if financial statements are attached

Note: This schedule should show gross revenue and expenses. Do not net revenue against expenses.

1			
	Revenue	Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	\$ 11,585,140	1
2	Discounts and Allowances for all Levels	(1,180,641)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 10,404,499	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,456,905	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 1,456,905	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursement		11
12	Gift and Coffee Shop	3,728	12
13	Barber and Beauty Care	41,112	13
14	Non-Patient Meals	284	14
15	Telephone, Television and Radio	9	15
16	Rental of Facility Space		16
17	Sale of Drugs	532,134	17
18	Sale of Supplies to Non-Patient		18
19	Laboratory	28,996	19
20	Radiology and X-Ray	21,255	20
21	Other Medical Services	188,917	21
22	Laundry	9,181	22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 825,616	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income**		25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	See attached Schedule E	577,361	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 577,361	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 13,264,381	30

2			
	Expenses	Amount	
	A. Operating Expenses		
31	General Services	1,569,693	31
32	Health Care	5,155,840	32
33	General Administration	2,597,053	33
	B. Capital Expense		
34	Ownership	1,507,889	34
	C. Ancillary Expense		
35	Special Cost Centers	544,051	35
36	Provider Participation Fee	122,640	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 11,497,166	40
41	Income before Income Taxes (line 30 minus line 40)**	1,767,215	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 1,767,215	43

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.
This entity is a cash basis taxpayer.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

Facility Name & ID Number **Lexington Health Care Center-Lombard**

0028860

Report Period Beginning: 01/01/05

Ending:

12/31/05

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	1,848	2,136	\$ 108,325	\$ 50.71	1
2	Assistant Director of Nursing	3,756	4,079	136,700	33.51	2
3	Registered Nurses	42,612	46,427	1,417,156	30.52	3
4	Licensed Practical Nurses	18,856	20,853	526,050	25.23	4
5	CNAs & Orderlies	10,419	11,482	155,553	13.55	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	102,680	109,400	1,247,260	11.40	8
9	Activity Director	2,002	2,162	31,639	14.63	9
10	Activity Assistants	18,655	20,495	213,448	10.41	10
11	Social Service Worker	5,853	6,417	128,506	20.03	11
12	Dietician	2,020	2,155	32,321	15.00	12
13	Food Service Supervisor	1,980	2,147	32,803	15.28	13
14	Head Cook	1,924	2,147	39,491	18.39	14
15	Cook Helpers/Assistants	12,812	13,595	109,283	8.04	15
16	Dishwashers	17,433	18,616	128,693	6.91	16
17	Maintenance Worker	1,924	2,110	31,977	15.15	17
18	Housekeepers	36,118	39,313	289,015	7.35	18
19	Laundry	12,627	13,494	96,938	7.18	19
20	Administrator	2,054	2,244	112,665	50.21	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	10,045	10,950	166,347	15.19	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	305,618	330,222	\$ 5,004,170 *	\$ 15.15	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	247	\$ 12,445	L1, C3	35
36	Medical Director	Monthly	48,000	L9, C3	36
37	Medical Records Consultant	15	798	L10, C3	37
38	Nurse Consultant	4	208	L10, C3	38
39	Pharmacist Consultant	Monthly	1,200	L10, C3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	94	4,521	L11, C3	44
45	Social Service Consultant	92	4,782	L12, C3	45
46	Other(specify)				46
47	Rehabcare Consultant	Monthly	1,707	L10, C3	47
48					48
49	TOTAL (lines 35 - 48)	452	\$ 73,661		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses		\$		50
51	Licensed Practical Nurses		N/A		51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)		\$		53

SEE ACCOUNTANTS' COMPILATION REPORT

XIX. SUPPORT SCHEDULES

A. Administrative Salaries			Ownership	D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions		
Name	Function	%	Amount	Description	Amount	Description	Amount		
Nancy McDonald	Administrator	0.00%	\$ 112,665	Workers' Compensation Insurance	\$ 87,981	IDPH License Fee	\$ 995		
				Unemployment Compensation Insurance	55,642	Advertising: Employee Recruitment	6,115		
				FICA Taxes	368,327	Health Care Worker Background Check (Indicate # of checks performed 100)	1,000		
				Employee Health Insurance	121,360	Miscellaneous Licenses & Permits	1,870		
				Employee Meals	12,412	Miscellaneous Dues & Subscriptions	1,252		
				Illinois Municipal Retirement Fund (IMRF)*					
				401(k) Contribution	25,326				
				Other Employee Benefits	28,686				
				Life Insurance	6,444				
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.			\$ 112,665			Allocated from Management Company	1,870		
B. Administrative - Other						Less: Public Relations Expense	()		
Description			Amount			Non-allowable advertising	()		
Management fees (eliminated in Column 7)			\$ 1,044,314			Yellow page advertising	()		
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$ 1,044,314	TOTAL (agree to Schedule V, line 22, col.8)		\$ 706,178	TOTAL (agree to Sch. V, line 20, col. 8)		
C. Professional Services				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**d		
Vendor/Payee	Type		Amount	Description	Line #	Amount	Description	Amount	
Altschuler, Melvoin & Glasser LLP	Accounting		\$ 18,064	N/A			Out-of-State Travel	\$	
American Express Tax & Bus. Svs.	Accounting		4,225						
Gilson Labus & Silverman	Accounting		352				In-State Travel		
Cassiday, Shade & Gloor	Legal		27,952						
Freedman, Anselmo & Lindberg	Collections		422						
Grabowski Law Center	Collections		43,750						
Katten Muchin, Zavis & Rosenman	Legal		792				Seminar Expense	12,838	
Personnel Planners	U/C Consultant		2,190						
James Samatas	Legal		100						
Sachnoff & Weaver	Legal		10,880				Allocated from Management Company	3,378	
ING	401(k) Consultant		1,005				Entertainment Expense	()	
See attached Schedule F			20,220						
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$2500 attach copy of invoices.)			\$ 129,952	TOTAL		\$	(agree to Sch. V, line 24, col. 8)		
							TOTAL	\$ 16,216	

* Attach copy of IMRF notifications
SEE ACCOUNTANTS' COMPILATION REPORT

****See instructions.**

Lexington Health Care Center of Lombard, Inc.
 Provider # 0028860
 1/1/05 - 12/31/05

Schedule F

XIX. Support Schedules
 C. Professional Services

<u>Vendor/Payee</u>	<u>Type</u>	<u>Amount</u>
Serpico, Novelle, Petrosino & Rascia, Ltd.	Legal	3,200
Scott & Krause	Legal	382
Pamela Harshbarger	Public Aid Consultant	125
Global Care	CARF Consulting	608
Systematic Management Systems	Collections	1,834
Information Controls, Inc.	Computer Consultant	1,156
Mcafee	Computer Consultant	88
Action Computer Service	Computer Consultant	324
Microsoft	Computer Consultant	3,581
Royal Management	Other Professional Services	1,829
Advanced Answers on Demand, Inc.	Computer Consultant	971
E Health Data Solutions	Computer Consultant	2,600
National Datacare Corp.	Computer Consultant	1,617
XO Communications	Computer Consultant	1,539
AdminaStar	Computer Consultant	366
		<u>20,220</u>
Total, Agrees to Schedule V, Line 19, Column 3		<u>129,952</u>

Allocated from management co:

American Express Tax & Business Services	Accounting	370
Altschuler, Melvoin and Glasser LLP	Accounting	139
Account Temps	Accounting	1,152
Gene Whitehorn	Medicaid Billing Consultant	2,675
Personnel Planners	U/C Consulting	8
Gilson, Labus and Silverman	Accounting	234
Katten, Muchin, Zavis & Rosenman	Legal	19
James Samatas	Legal	30
Sachnoff and Weaver	Legal	136
ILIAC / Pension Administrators	401 (k) Administration	929
Various	Computer Consulting	15,102

Allocated from building partnership:
 James Samatas

Filing and recording fees 250

Nonallowable legal fees:

Freedman, Anselmo, & Lindberg	Legal-collection fees	(422)
Grabowski Law Center, LLC	Legal-collection fees	(43,750)
Systematic Management Systems	Collection fees	(1,834)
Serpico, Novelle, Petrosino & Rascia, Ltd.	Out of Period legal fees	(2,375)
Katten, Muchin, Zavis & Rosenman	Out of Period legal fees	(482)

Total, Agrees to Schedule V, Line 19, Column 8 102,133

See accountants' compilation report

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
 (See instructions.)

	1	2	3	4	5	6	7	8	9	10	11	12	13
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year								
					FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010
1			\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2							N/A						
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington Health Care Center-Lombard

0028860

Report Period Beginning:

01/01/05

Ending:

12/31/05

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union No
- (2) Are there any dues to nursing home associations included on the cost report No
If YES, give association name and amount N/A
- (3) Did the nursing home make political contributions or payments to a political action organization? No If YES, have these costs been properly adjusted out of the cost report? N/A
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases Yes
What was the average life used for new equipment added during this period 5 years
- (6) Indicate the total amount of both disposable and non-disposable diaper expenses and the location of this expense on Sch. V. 47,857 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease N/A
- (9) Are you presently operating under a sublease agreement YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility IDPH license number of this related party and the date the present owners took over N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 122,640
This amount is to be recorded on line 42 of Schedule V
- (12) Are there any salary costs which have been allocated to more than one line on Schedule for an individual employee? No If YES, attach an explanation of the allocation

SEE ACCOUNTANTS' COMPILATION REPORT

- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services if the patient census listed on page 2, Section B No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these function
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 12,412 Has any meal income been offset against related costs? Yes Indicate the amount \$ 284
- (16) Travel and Transportation
a. Are there costs included for out-of-state travel No
If YES, attach a complete explanation
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such program during this reporting period. \$ N/A
c. What percent of all travel expense relates to transportation of nurses and patients? 0%
d. Have vehicle usage logs been maintained Adequate records have been maintained.
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? Yes
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm No
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fees

RECONCILIATION REPORT

11:45 AM 5/16/2006

ITEM	Value 1	Cond.	Value 2	Difference	RESULTS	COMPARE CEL	SUB- SCHED.	LINE NO.	COL. NO.	WITH CELL	SUB- SCHED.	LINE NO.	COL. NO.
Adjustment Detail	-1,536,111	equal to	-1,536,111	0	O.K.	Pg5 Z22	B.	37	1	Pg4 K29	N/A	45	7
Interest Expense	169,140	equal to	169,140	0	O.K.	Pg9 P34	A.	15	10	Pg4 L13	N/A	32	8
Real Estate Tax Expenses	145,153	equal to	145,153	0	O.K.	Pg10 W24	B.	5	N/A	Pg4 L14	N/A	33	8
Amortization exp. Pre-opening & org.	N/A	equal to	0	#VALUE!	#VALUE!	Pg11 I33	E.	3	N/A	Pg4 L12	N/A	31	8
Ownership Costs-Depreciation	284,217	equal to	284,217	0	O.K.	Pg13 Y28	E.	49	2	Pg4 L11	N/A	30	8
Rental Costs A	3,628	equal to	3,628	0	O.K.	Pg14 L20+N22	A.	7 + 8	4+N/A	Pg4 L15	N/A	34	8
Rental Costs B	11,237	equal to	11,237	0	O.K.	Pg14 J30+N40	B.+ C.	16+21	N/A+4	Pg4 L16	N/A	35	8
Nurse Aid Training Prog.	0	equal to	0	0	O.K.	Pg15 L36	B.	10	1	Pg3 L23	N/A	13	8
Special Serv.- Staff Wages		equal to		0	O.K.	Pg16 N32	N/A	14	3	Pg4 E22	N/A	39	1
Therapy Services	830,084	equal to	830,084	0	O.K.	Pg16 Z12+Z14.	N/A/B	1-4;40-43	8;2	Pg3 H20	N/A	10a	4
Special Serv.- Supplies	306,951	equal to	306,951	0	O.K.	Pg16 V32	N/A	14	6	Pg4 F22 + Pg 3	N/A	39,10a	2
Income Stat. General Serv.	1,569,693	equal to	1,569,693	0	O.K.	Pg19 P11	N/A	31	2	Pg3 H16	N/A	8	4
Income Stat. Health Care	5,155,840	equal to	5,155,840	0	O.K.	Pg19 P12	N/A	32	2	Pg3 H26	N/A	16	4
Income Stat. Administration	2,597,053	equal to	2,597,053	0	O.K.	Pg19 P13	N/A	33	2	Pg3 H39	N/A	28	4
Income Stat. Ownership	1,507,889	equal to	1,507,889	0	O.K.	Pg19 P15	N/A	34	2	Pg4 H18	N/A	37	4
Income Stat. Special Cost Ctr	544,051	equal to	544,051	0	O.K.	Pg19 P17	N/A	35	2	Pg4 H21..H24+i	N/A	38to41+43	4
Income Stat. Prov. Partic.	122,640	equal to	122,640	0	O.K.	Pg19 P18	N/A	36	2	Pg4 H25	N/A	42	4
Staff- Nursing	2,343,784	equal to	3,591,044	-1,247,260	FAILED	Pg20 K11..K15+	A.	1-5,24,25,27-30	3	Pg3 E19	N/A	10	1
Staff- Nurse aide Training	0	< or = to	0	0	O.K.	Pg20 K16	A.	6	3	Pg3 E23	N/A	13	1
Staff-Licensed Therapist	0	equal to	0	0	O.K.	Pg20 K17	A.	7	3	Pg4 E22	N/A	39	1
Staff- Activities	245,087	equal to	245,087	0	O.K.	Pg20 K19+K20	A.	9+10	3	Pg3 E21	N/A	11	1
Staff- Social Serv. Workers	128,506	equal to	128,506	0	O.K.	Pg20 K21	A.	11	3	Pg3 E22	N/A	12	1
Staff- Dietary	342,591	equal to	342,591	0	O.K.	Pg20 K22..K26	A.	16-Dec	3	Pg3 E9	N/A	1	1
Staff- Maintenance	31,977	equal to	31,977	0	O.K.	Pg20 K27	A.	17	3	Pg3 E14	N/A	6	1
Staff- Housekeeping	289,015	equal to	289,015	0	O.K.	Pg20 K28	A.	18	3	Pg3 E11	N/A	3	1
Staff- Laundry	96,938	equal to	96,938	0	O.K.	Pg20 K29	A.	19	3	Pg3 E12	N/A	4	1
Staff- Administrative	112,665	equal to	112,665	0	O.K.	Pg20 K30..K32	A.	20-22	3	Pg3 E28	N/A	17	1
Staff- Clerical	166,347	equal to	166,347	0	O.K.	Pg20 K33..K34	A.	23+24	3	Pg3 E32	N/A	21	1
Staff- Medical Director	0	equal to	0	0	O.K.	Pg20 K37	A.	27	3	Pg3 E18	N/A	9	1
Total Salaries And Wages	5,004,170	equal to	5,004,170	0	O.K.	Pg20 K44	A.	34	3	Pg4 E29	N/A	45	1
Dietary Consultant	12,445	< or = to	12,445	0	O.K.	Pg20 X12	B.	35	2	Pg3 G9	N/A	1	3
Medical Director	48,000	< or = to	48,000	0	O.K.	Pg20 X13	B.	36	2	Pg3 G18	N/A	9	3
Consultants & contractors	2,206	< or = to	36,778	-34,572	O.K.	Pg20 X14..X16+	B. & C.	17to39 and 50to6	2	Pg3 G19	N/A	10	3
Activity Consultant	4,521	< or = to	4,521	0	O.K.	Pg20 X21	B.	44	2	Pg3 G21	N/A	11	3
Social Service Consultant	4,782	< or = to	4,782	0	O.K.	Pg20 X22	B.	45	2	Pg3 G22	N/A	12	3
Supp. Sched.- Admin. Salar.	112,665	equal to	112,665	0	O.K.	Pg21 I16	A.	N/A	N/A	Pg3 E28	N/A	17	1
Supp. Sched.- Admin. Other	1,044,314	equal to	1,044,314	0	O.K.	Pg21 I24	B.	N/A	N/A	Pg3 G28	N/A	17	3
Supp. Sched.- Prof. Serv.	129,952	equal to	129,952	0	O.K.	Pg21 I41	C.	N/A	N/A	Pg3 G30	N/A	19	3
Supp. Sched.- Benefit/Taxes	706,178	equal to	706,178	0	O.K.	Pg21 P22	D.	N/A	N/A	Pg3 L33	N/A	22	8
Supp. Sched.- Sched of dues..	13,102	equal to	13,102	0	O.K.	Pg21 V22	F.	N/A	N/A	Pg3 L31	N/A	20	8
Supp. Sched.- Sched. of trav	16,216	equal to	16,216	0	O.K.	Pg21 V41	G.	N/A	N/A	Pg3 L35	N/A	24	8
Gen. Info - Particp. Fees	122,640	equal to	122,640	0	O.K.	Pg23 I38	N/A	11	N/A	Pg4 G25	N/A	42	3
Gen. Info - Employee Meals	12,412	< or = to	12,412	0	O.K.	Pg23 S16	N/A	16	N/A	Pg3 K33	N/A	2 & 22	7
Gen. Info - Employee Meals	12,412	equal to	12,412	0	O.K.	Pg23 S16	N/A	16	N/A	Pg21 P12	D.	N/A	N/A
Nurse aide training	0	equal to	0	0	O.K.	Pg15 U29..U31	B.	3, 4 & 5	4	Pg3 E23	N/A	13	1
Days of medicare provided	10,146	equal to	11,666	-1,520	FAILED	Pg2 AB29	K.	N/A	N/A	Pg2 J30	B.	8	4
Adjustment for related org. costs	-1,262,346	equal to	-1,262,346	0	O.K.	Pg5 Z18	B.	34	1	Pg6 to Pg 6l Y4	B.	14	8
Total loan balance	1,654,870	equal to	1,654,870	0	O.K.	Pg9 L34	A.	15	7	Pg17 V13+V27.	N/A	29+39-41	2
Real estate tax accrual	144,000	equal to	144,000	0	O.K.	Pg10 W15	B.	4	N/A	Pg17 V17	N/A	32	2
Land	634,444	equal to	634,444	0	O.K.	Pg11 T43	A.	3	4	Pg17 K25	N/A	13	2
Building cost	5,757,396	equal to	5,757,396	0	O.K.	Pg12 to 12l L43	B.	36	4	Pg17 K26+K27	N/A	14 & 15	2
Equipment and vehicle cost	1,814,620	equal to	1,814,620	0	O.K.	Pg13 O22+L13	C. & D.	41 + 46	1 + 4	Pg17 K28	N/A	16	2
Accumulated depr.	4,195,407	equal to	4,195,407	0	O.K.	Pg13 Y30	E.	51	2	Pg17 K29	N/A	17	2
End of year equity	3,095,484	equal to	3,095,484	0	O.K.	Pg18 I33	N/A	24	1	Pg17 S39	N/A	47	1
Net income (loss)	1,767,215	equal to	1,767,215	0	O.K.	Pg18 I15	N/A	7	1	Pg19 P30	N/A	43	2
Unamortized deferred maint. cost	0	equal to	0	0	O.K.	Pg22 F31-J31..1	H.	20	3	Pg17 K30	N/A	18	2
Balance Sheet	4,214,325	equal to	4,214,325	0	O.K.	Pg17 H41		25	1	Pg17 S41	N/A	48	1

Lexington Health Care Center-Lombard
IDPA Comparative Data - Per Resident Day Cost
Year Ending 12/31/05

Enter your HSA # in next column
Census (Pulls from Page 2)

1

71,608

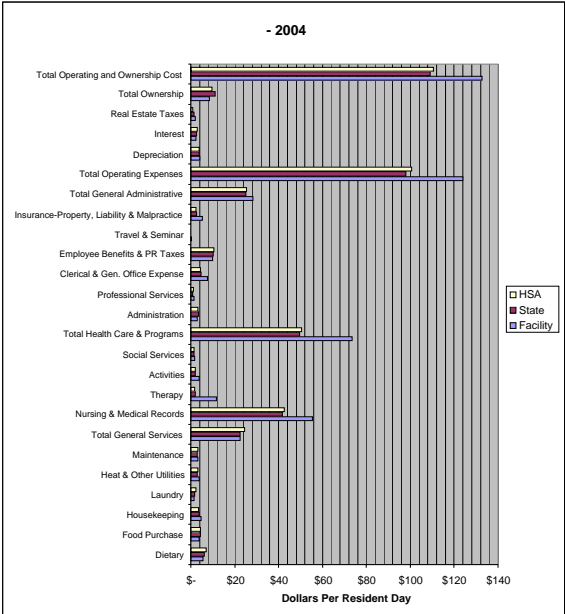
Cost Report Line	Description	Average Median Cost Per Day			Your Facility	State	HSA	IDPA LTC Profiles											10th %	90th %			
		LTC Median Per Diem Cost by HSA - 2003 Cost Reports 2003 (Run June 1, 2004)						Cost Report Line	Description	State-Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8			HSA 9	HSA 10	HSA 11
1	Dietary	5.40	6.01	7.02				1	Dietary	6.01	7.02	6.48	5.50	6.48	5.48	6.06	6.06	6.06	5.60	7.02	5.70	4.13	9.81
2	Food Purchase	3.89	4.31	4.47				2	Food Purchase	4.31	4.47	4.40	4.27	4.40	3.99	4.31	4.31	4.31	4.28	4.47	4.11	3.36	6.04
3	Housekeeping	4.63	3.70	3.59				3	Housekeeping	3.70	3.59	3.68	2.91	3.68	3.40	4.05	4.05	4.05	3.97	3.59	3.61	2.48	5.80
4	Laundry	1.51	1.85	2.23				4	Laundry	1.85	2.23	1.90	1.79	1.90	2.10	1.59	1.59	1.59	1.69	2.23	2.13	0.91	3.14
5	Heat & Other Utilities	3.87	2.95	3.17				5	Heat & Other Utilities	2.95	3.17	2.93	2.94	2.93	2.71	2.93	2.93	2.93	2.91	3.17	2.95	2.05	4.25
6	Maintenance	3.10	3.01	3.26				6	Maintenance	3.01	3.26	3.03	2.99	3.03	2.55	3.21	3.21	3.21	3.05	3.26	2.82	1.92	5.12
8	Total General Services	22.47	22.58	24.49				8	TOTAL GENERAL SERVICES	22.58	24.49	22.99	21.14	22.99	21.47	22.65	22.65	22.65	22.45	24.49	21.73	17.57	31.51
10	Nursing & Medical Records	55.32	41.83	42.52				10	Nursing & Medical Records	41.83	42.52	43.12	38.37	43.12	33.78	45.12	45.12	45.12	47.22	42.52	42.15	27.25	64.47
10A	Therapy	11.59	2.10	1.86				10A	Therapy	2.10	1.86	2.69	3.34	2.69	3.47	1.45	1.45	1.45	2.41	1.86	2.24	-	10.55
11	Activities	3.79	1.91	2.18				11	Activities	1.91	2.18	1.92	1.61	1.92	1.48	2.16	2.16	2.16	2.05	2.18	1.54	1.06	3.45
12	Social Services	1.86	1.42	1.45				12	Social Services	1.42	1.45	1.64	1.05	1.64	1.09	1.60	1.60	1.60	1.12	1.45	1.27	0.58	3.00
16	Total Health Care & Programs	73.36	49.48	50.39				16	TOTAL HEALTH CARE & PROGRAMS	49.48	50.39	51.22	46.39	51.22	41.58	52.34	52.34	52.34	54.96	50.39	49.49	32.10	77.23
17	Administration	2.99	3.36	3.33				17	Administration	3.33	3.15	3.15	3.15	3.60	3.46	3.46	3.46	3.46	3.04	3.33	3.17	1.71	7.21
19	Professional Services	1.43	0.99	1.09				19	Professional Services	0.99	1.09	0.85	0.83	0.85	0.76	1.12	1.12	1.12	1.13	1.09	0.77	0.07	3.44
21	Clerical & Gen. Office Expense	7.44	4.79	4.32				21	Clerical & Gen. Office Expense	4.79	4.32	4.97	3.98	4.97	3.46	5.56	5.56	5.56	5.04	4.32	4.25	2.49	10.78
22	Employee Benefits & PR Taxes	9.86	10.09	10.42				22	Employee Benefits & PR Taxes	10.09	10.42	11.01	8.88	11.01	7.67	10.51	10.51	10.51	11.38	10.42	9.08	6.33	19.34
24	Travel & Seminar	0.23	0.08	0.10				24	Travel & Seminar	0.08	0.10	0.13	0.10	0.13	0.13	0.06	0.06	0.06	0.05	0.10	0.07	-	0.43
26	Insurance-Property, Liability & Malpractice	5.25	2.58	2.47				26	Insurance-Property, liability & Malpractice	2.47	2.58	2.35	2.55	2.22	2.85	2.85	2.85	2.19	2.47	2.61	2.61	0.88	4.32
28	Total General Administrative	28.20	24.94	25.31				28	TOTAL GENERAL ADMINISTRATIVE	24.94	25.31	26.11	23.02	26.11	21.37	25.81	25.81	25.81	26.59	25.31	22.93	16.95	39.14
29	Total Operating Expenses	124.03	98.06	100.77				29	TOTAL OPERATING EXPENSES	98.06	100.77	100.03	92.47	100.03	88.05	100.96	100.96	100.96	103.01	100.77	94.71	69.40	142.56
30	Depreciation	3.97	3.70	3.82				30	Depreciation	3.70	3.82	4.08	3.29	4.08	2.54	4.11	4.11	4.11	3.54	3.82	3.38	1.01	8.43
32	Interest	2.36	2.54	2.81				32	Interest	2.54	2.81	1.96	2.09	1.96	1.41	4.05	4.05	4.05	2.63	2.81	1.50	-	11.53
33	Real Estate Taxes	2.03	1.38	0.92				33	Real Estate Taxes	1.38	0.92	1.08	0.82	1.08	0.80	3.20	3.20	3.20	1.36	0.92	1.11	-	4.85
37	Total Ownership	8.57	11.11	9.73				37	TOTAL OWNERSHIP	11.11	9.73	9.80	8.00	9.80	7.04	14.54	14.54	14.54	11.02	9.73	8.39	3.76	23.58
	Total Operating and Ownership Cost	132.60	111.11	110.50					TOTAL OPERATING & OWNERSHIP CC	109.17	110.50	109.83	100.47	109.83	95.09	115.50	115.50	115.50	114.03	110.50	103.10	73.16	166.14

Notes:

Your Facility data is from page 3, column 8 of your 2005 Medicaid cost report, divided by your annual census.

The Average Median Cost Per Day for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.

Notes:
Your Facility data is from page 3, column 8 of your 2005 Medicaid cost report, divided by your annual census.
The Average Median Cost Per Day for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.

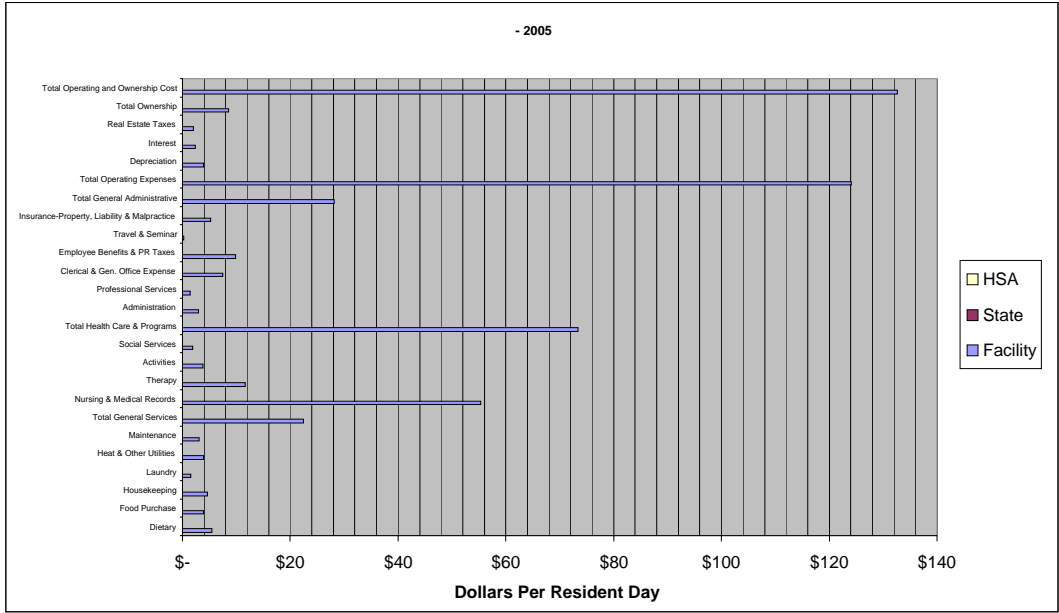


Cost Report Line	Description	2005			2004			2003			2002		
		Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA	Per Diem Your Facility	State	HSA
1	Dietary	5.40	-	-	#DIV/0!	-	-	#DIV/0!	6.10	5.70	#DIV/0!	6.01	5.60
2	Food Purchase	3.89	-	-	#DIV/0!	-	-	#DIV/0!	4.31	4.11	#DIV/0!	4.27	4.09
3	Housekeeping	4.63	-	-	#DIV/0!	-	-	#DIV/0!	3.70	3.61	#DIV/0!	3.65	3.48
4	Laundry	1.51	-	-	#DIV/0!	-	-	#DIV/0!	1.85	2.13	#DIV/0!	1.90	2.23
5	Heat & Other Utilities	3.87	-	-	#DIV/0!	-	-	#DIV/0!	2.95	2.95	#DIV/0!	2.71	2.73
6	Maintenance	3.10	-	-	#DIV/0!	-	-	#DIV/0!	3.01	2.82	#DIV/0!	2.99	2.92
8	Total General Services	22.47	-	-	#DIV/0!	-	-	#DIV/0!	22.58	21.73	#DIV/0!	22.09	22.04
10	Nursing & Medical Records	55.32	-	-	#DIV/0!	-	-	#DIV/0!	41.83	42.15	#DIV/0!	40.68	41.16
10A	Therapy	11.59	-	-	#DIV/0!	-	-	#DIV/0!	2.10	2.24	#DIV/0!	1.85	2.27
11	Activities	3.79	-	-	#DIV/0!	-	-	#DIV/0!	1.91	1.54	#DIV/0!	1.88	1.60
12	Social Services	1.86	-	-	#DIV/0!	-	-	#DIV/0!	1.42	1.27	#DIV/0!	1.44	1.32
16	Total Health Care & Programs	73.36	-	-	#DIV/0!	-	-	#DIV/0!	49.48	49.49	#DIV/0!	47.55	47.76
17	Administration	2.99	-	-	#DIV/0!	-	-	#DIV/0!	3.36	3.17	#DIV/0!	3.39	3.54
19	Professional Services	1.43	-	-	#DIV/0!	-	-	#DIV/0!	0.99	0.77	#DIV/0!	0.98	0.72
21	Clerical & Gen. Office Expense	7.44	-	-	#DIV/0!	-	-	#DIV/0!	4.79	4.25	#DIV/0!	4.58	4.31
22	Employee Benefits & PR Taxes	9.86	-	-	#DIV/0!	-	-	#DIV/0!	10.09	9.08	#DIV/0!	9.63	8.44
24	Travel & Seminar	0.23	-	-	#DIV/0!	-	-	#DIV/0!	0.08	0.07	#DIV/0!	0.09	0.09
26	Insurance-Property, Liability & Malpractice	5.25	-	-	#DIV/0!	-	-	#DIV/0!	2.58	2.61	#DIV/0!	2.19	2.03
28	Total General Administrative	28.20	-	-	#DIV/0!	-	-	#DIV/0!	24.94	22.93	#DIV/0!	23.47	21.93
29	Total Operating Expenses	124.03	-	-	#DIV/0!	-	-	#DIV/0!	98.06	94.71	#DIV/0!	94.39	91.33
30	Depreciation	3.97	-	-	#DIV/0!	-	-	#DIV/0!	3.70	3.38	#DIV/0!	3.53	3.04
32	Interest	2.36	-	-	#DIV/0!	-	-	#DIV/0!	2.54	1.50	#DIV/0!	2.73	1.54
33	Real Estate Taxes	2.03	-	-	#DIV/0!	-	-	#DIV/0!	1.38	1.11	#DIV/0!	1.30	1.03
37	Total Ownership	8.57	-	-	#DIV/0!	-	-	#DIV/0!	11.11	8.39	#DIV/0!	11.44	10.00
	Total Operating and Ownership Cost	132.60	-	-	#DIV/0!	-	-	#DIV/0!	103.10	103.10	#DIV/0!	105.83	101.30

Notes:

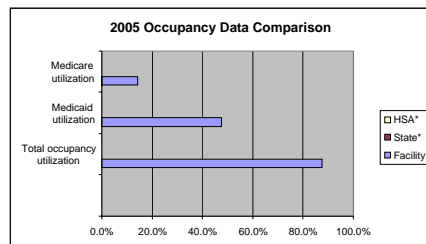
Your Facility data is from page 3, column 8 of each of your respective Medicaid cost reports, divided by the respective annual census.

The 2005, 2004, 2003 & 2002 Median Cost Per Day for the State and your HSA is taken from data available from the Illinois Department of Public Aid and corresponds with the respective cost report data after final adjustments.



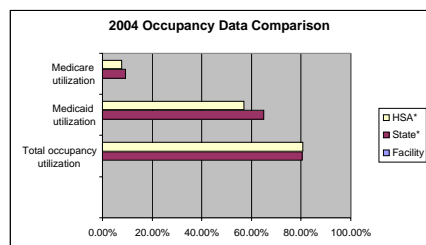
2005

Your			
Facility	State*	HSA*	
Total occupancy utilization	87.58%	0.00%	0.00%
Medicaid utilization	47.60%	0.00%	0.00%
Medicare utilization	14.27%	0.00%	0.00%
Private pay percent utilization	24.76%	N/A	N/A
Capacity in Patient Days	81,760	N/A	N/A
Census days of service provided	71,608	N/A	N/A



2004

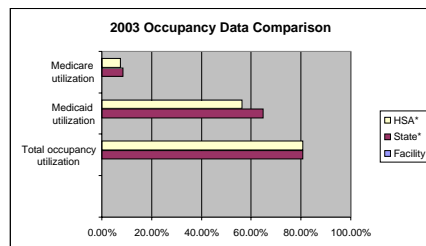
Your			
Facility	State*	HSA*	
Total occupancy utilization	#DIV/0!	80.50%	80.70%
Medicaid utilization	#DIV/0!	65.00%	57.00%
Medicare utilization	#DIV/0!	9.40%	7.70%
Private pay percent utilization	#DIV/0!	N/A	N/A
Capacity in Patient Days		N/A	N/A
Census days of service provided		N/A	N/A



* State and HSA data for 2004 and 2005 is not expected to be available from HFS until March 2006 and 2007 respectively.

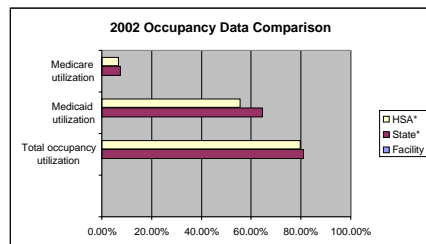
2003

Your			
Facility	State*	HSA*	
Total occupancy utilization	#DIV/0!	80.80%	80.80%
Medicaid utilization	#DIV/0!	64.80%	56.40%
Medicare utilization	#DIV/0!	8.50%	7.50%
Private pay percent utilization	#DIV/0!	N/A	N/A
Capacity in Patient Days		N/A	N/A
Census days of service provided		N/A	N/A



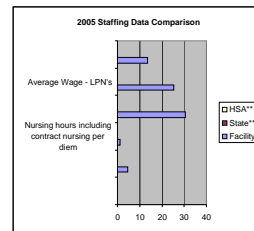
2002

Your			
Facility	State*	HSA*	
Total occupancy utilization	#DIV/0!	80.90%	79.60%
Medicaid utilization	#DIV/0!	64.50%	55.50%
Medicare utilization	#DIV/0!	7.40%	6.80%
Private pay percent utilization	#DIV/0!	N/A	N/A
Capacity in Patient Days		N/A	N/A
Census days of service provided		N/A	N/A

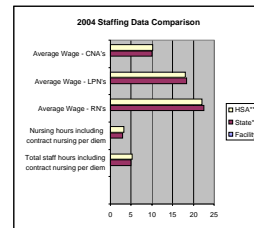


Lexington Health Care Center-Lombard
Comparative Staffing Data
Year Ending 12/31/05
HSA 1

2005			
Your			
Facility	State**	HSA**	
Total staff hours including contract nursing per diem	4.61	0.00	0.00
Nursing hours including contract nursing per diem	1.19	0.00	0.00
Average Wage - RN's	30.52	0.00	0.00
Average Wage - LPN's	25.23	0.00	0.00
Average Wage - CNA's	13.55	0.00	0.00



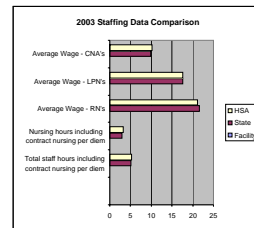
2004			
Your			
Facility	State**	HSA**	
Total staff hours including contract nursing per diem	5.00	5.30	
Nursing hours including contract nursing per diem	3.00	3.20	
Average Wage - RN's	22.54	22.05	
Average Wage - LPN's	18.40	18.02	
Average Wage - CNA's	10.02	10.13	



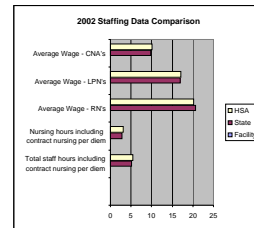
** State and HSA data for 2004 and 2005 is not expected to be available from HFS until March 2006 and 2007 respectively.

Lexington Health Care Center-Lombard
Comparative Staffing Data
Year Ending 12/31/05
HSA 1

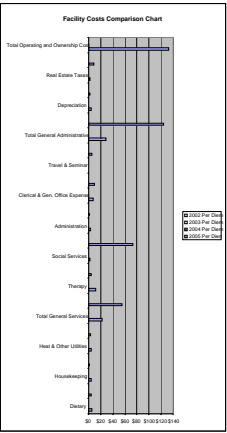
2003			
Your			
Facility	State	HSA	
Total staff hours including contract nursing per diem	5.10	5.30	
Nursing hours including contract nursing per diem	2.90	3.20	
Average Wage - RN's	21.56	21.14	
Average Wage - LPN's	17.64	17.65	
Average Wage - CNA's	9.91	10.11	



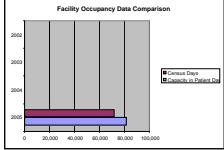
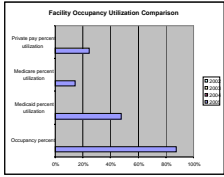
2002			
Your			
Facility	State	HSA	
Total staff hours including contract nursing per diem	5.20	5.50	
Nursing hours including contract nursing per diem	2.80	3.10	
Average Wage - RN's	20.69	20.12	
Average Wage - LPN's	16.89	17.04	
Average Wage - CNA's	9.73	10.05	



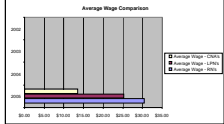
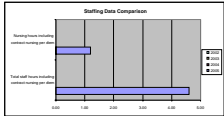
Cost Report Line	Account	Year 2003	Year 2004	Year 2005	Year 2006
		Facility	Facility	Facility	Facility
		2003	2004	2005	2006
		Per Bed	Per Bed	Per Bed	Per Bed
1	Steno	5.40	4500.00	4500.00	4500.00
2	Food Purchase	2.89	4500.00	4500.00	4500.00
3	Housekeeping	4.43	4500.00	4500.00	4500.00
4	Laundry	1.10	4500.00	4500.00	4500.00
5	Heat & Other Utilities	1.87	4500.00	4500.00	4500.00
6	Maintenance	3.35	4500.00	4500.00	4500.00
8	Total General Services	22.47	4500.00	4500.00	4500.00
10	Nursing & Medical Records	55.12	4500.00	4500.00	4500.00
10A	Therapy	51.79	4500.00	4500.00	4500.00
11	Activities	1.76	4500.00	4500.00	4500.00
12	Social Services	1.84	4500.00	4500.00	4500.00
16	Total Health Care & Programs	71.36	4500.00	4500.00	4500.00
17	Administration	2.99	4500.00	4500.00	4500.00
19	Professional Services	1.47	4500.00	4500.00	4500.00
21	Child & Gen. Office Expense	7.44	4500.00	4500.00	4500.00
22	Employee Benefits & FR Taxes	9.86	4500.00	4500.00	4500.00
24	Travel & Lodging	0.23	4500.00	4500.00	4500.00
26	Insurance-Property, Liability & Malpractice	5.25	4500.00	4500.00	4500.00
26	Total General Administration	26.20	4500.00	4500.00	4500.00
29	Total Operating Expenses	120.03	4500.00	4500.00	4500.00
30	Depreciation	3.07	4500.00	4500.00	4500.00
32	Interest	2.36	4500.00	4500.00	4500.00
33	Real Estate Taxes	2.03	4500.00	4500.00	4500.00
37	Total Ownership	8.57	4500.00	4500.00	4500.00
	Total Operating and Ownership Cost	132.40	4500.00	4500.00	4500.00



	Facility 2003	Facility 2004	Facility 2005	Facility 2006
Occupancy percent	87.58%	4500.00	4500.00	4500.00
Medicaid percent utilization	47.80%	4500.00	4500.00	4500.00
Medicare percent utilization	54.21%	4500.00	4500.00	4500.00
Private pay percent utilization	36.79%	4500.00	4500.00	4500.00
Capacity in Patient Days	87,768	0	0	0
Census Days	71,368	0	0	0



	Facility 2003	Facility 2004	Facility 2005	Facility 2006
Total staff hours including contract nursing per day	4.87	0.00	0.00	0.00
Nursing hours including contract nursing per day	1.10	0.00	0.00	0.00
Average Wage - BSN	\$6.52	0.00	0.00	0.00
Average Wage - LPN	\$5.23	0.00	0.00	0.00
Average Wage - CNA	13.85	0.00	0.00	0.00



	Salaries	Supplies	Other	Total	Reclass- ifications	Reclassified Total	Adjustments	Adjusted Total
1. Dietary	342,591	31,973	12,445	387,009	0	387,009	0	387,009
2. Food Purchase	0	291,609	0	291,609	0	291,609	-12,696	278,913
3. Housekeeping	289,015	41,917	0	330,932	0	330,932	314	331,246
4. Laundry	96,938	20,076	0	117,014	0	117,014	-9,181	107,833
5. Heat and Other Utilities	0	0	271,890	271,890	0	271,890	4,970	276,860
6. Maintenance	31,977	0	139,262	171,239	0	171,239	50,649	221,888
7. Other (specify)*	0	0	0	0	0	0	5,109	5,109
8. Total General Services	760,521	385,575	423,597	1,569,693	0	1,569,693	39,165	1,608,858
9. Medical Director	0	0	48,000	48,000	0	48,000	0	48,000
10. Nursing & Medical Records	3,591,044	245,558	36,778	3,873,380	0	3,873,380	87,747	3,961,127
10a. Therapy	0	0	830,084	830,084	0	830,084	0	830,084
11. Activities	245,087	21,480	4,521	271,088	0	271,088	0	271,088
12. Social Services	128,506	0	4,782	133,288	0	133,288	0	133,288
13. Nurse Aide Training	0	0	0	0	0	0	0	0
14. Program Transportation	0	0	0	0	0	0	0	0
15. Other (specify)*	0	0	0	0	0	0	9,760	9,760
16. Total Health Care & Programs	3,964,637	267,038	924,165	5,155,840	0	5,155,840	97,507	5,253,347
17. Administrative	112,665	0	1,044,314	1,156,979	0	1,156,979	-942,546	214,433
18. Directors Fees	0	0	0	0	0	0	0	0
19. Professional Services	0	0	129,952	129,952	0	129,952	-27,819	102,133
20. Fees, Subscriptions & Promotion	0	0	11,572	11,572	0	11,572	1,530	13,102
21. Clerical & General Office	166,347	33,555	18,329	218,231	0	218,231	314,413	532,644
22. Employee Benefits & Payroll	0	0	693,766	693,766	0	693,766	12,412	706,178
23. Inservice Training & Education	0	0	2,050	2,050	0	2,050	0	2,050
24. Travel and Seminar	0	0	12,838	12,838	0	12,838	3,378	16,216
25. Other Admin. Staff Trans	0	0	37	37	0	37	11,956	11,993
26. Insurance-Prop.Liab.Malpractice	0	0	371,628	371,628	0	371,628	4,179	375,807
27. Other (specify)*	0	0	0	0	0	0	44,912	44,912
28. Total General Adminis	279,012	33,555	2,284,486	2,597,053	0	2,597,053	-577,585	2,019,468
29. Total General Administrative	5,004,170	686,168	3,632,248	9,322,586	0	9,322,586	-440,913	8,881,673
30. Depreciation	0	0	140,535	140,535	0	140,535	143,682	284,217
31. Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0
32. Interest	0	0	16,432	16,432	0	16,432	152,708	169,140
33. Real Estate	0	0	0	0	0	0	145,153	145,153
34. Rent - Facility & Grounds	0	0	1,342,214	1,342,214	0	1,342,214	-1,338,586	3,628
35. Rent - Equipment & Vehicles	0	0	8,708	8,708	0	8,708	2,529	11,237
36. Other (specify):*	0	0	0	0	0	0	0	0
37. Total Ownership	0	0	1,507,889	1,507,889	0	1,507,889	-894,514	613,375
38. Medically Necessary T	0	0	0	0	0	0	0	0
39. Ancillary Service Cent	0	306,951	0	306,951	0	306,951	0	306,951
40. Barber and Beauty Shop	0	0	33,558	33,558	0	33,558	0	33,558
41. Coffee and Gift Shops	0	0	2,858	2,858	0	2,858	0	2,858
42. Provider Participation	0	0	122,640	122,640	0	122,640	0	122,640
43. Other (specify):*	0	0	200,684	200,684	0	200,684	-200,684	0
44. Total Special Cost Ce	0	306,951	359,740	666,691	0	666,691	-200,684	466,007
45. Grand Total	5,004,170	993,119	5,499,877	11,497,166	0	11,497,166	-1,536,111	9,961,055

	Operating	After Consolidation
General Service Cost Center		
1. Cash on hand and in banks	619,527	623,048
2. Cash - Patient Deposits	0	0
3. Accounts & Notes Receivable	1,896,163	1,896,163
4. Supply Inventory	0	0
5. Short-Term Investments	0	0
6. Prepaid Insurance	88,329	88,329
7. Other Prepaid Expenses	0	0
8. Accounts Receivable-Owner/Related Party	1,007	1,007
9. Other (specify):	0	0
10. Total current assets	2,605,026	2,608,547
LONG TERM ASSETS		
11. Long-Term Notes Receivable	0	0
12. Long-Term Investments	0	0
13. Land	0	634,444
14. Buildings, at Historical Cost	0	3,661,473
15. Leasehold Improvements, Historical Cost	1,651,798	2,095,923
16. Equipment, at Historical Cost	591,124	1,814,620
17. Accumulated Depreciation (book methods)	-655,653	-4,195,407
18. Deferred Charges	0	0
19. Organization & Pre-Operating Costs	0	0
20. Accum Amort - Org/Pre-Op Costs	0	0
21. Restricted Funds	0	0
22. Other Long-Term Assets (specify):	22,030	22,030
23. other (specify):	0	8,183
24. Total Long-Term Assets	1,609,299	4,041,266
25. Total Assets	4,214,325	6,649,813
CURRENT LIABILITIES		
26. Accounts Payable	381,637	381,637
27. Officer's Accounts Payable	0	0
28. Accounts Payable-Patients Deposits	0	0
29. Short-Term Notes Payable	250,000	250,000
30. Accrued Salaries Payable	325,355	325,355
31. Accrued Taxes Payable	8,514	8,514
32. Accrued Real Estate Taxes	0	144,000
33. Accrued Interest Payable	0	10,244
34. Deferred Compensation	0	0
35. Federal and State Income Taxes	0	0
36. Other Current Liabilities (specify):	153,335	192,524
37. Other Current Liabilities (specify):	0	0
38. Total Current Liabilities	1,118,841	1,312,274
LONG TERM LIABILITES		
39.Long-Term Notes Payable	0	0
40.Mortgage Payable	0	1,404,870
41.Bonds Payable	0	0
42.Deferred Compensation	0	0
43.Other Long-Term Liabilities (specify):	0	0
44.Other Long-Term Liabilities (specify):	0	0
45.Total Long-Term Liabilities	0	1,404,870
46.Total Liabilities	1,118,841	2,717,144
47.Total Equity	3,095,484	3,932,669
48.Total Liabilities and Equity	4,214,325	6,649,813

	Balance per Medicaid Trial Balance
1. Gross Revenue - All levels of Care	11,585,140
2. Discounts and Allowances for all Levels	-1,180,641
Subtotal - Inpatient Care	10,404,499
4. Day Care	0
5. Other Care for Outpatients	0
6. Therapy	1,456,905
7. Oxygen	0
Subtotal - Ancillary Revenue	1,456,905
9. Payments for Education	0
10. Other Governmental Grants	0
11. Nurses Aide Training Reimbursements	0
12. Gift and Coffee Shop	3,728
13. Barber and Beauty Care	41,112
14. Non-Patient Meals	284
15. Telephone, Television, and Radio	9
16. Rental of Facility Space	0
17. Sale of Drugs	532,134
18. Sale of Supplies to Non-Patients	0
19. Laboratory	28,996
20. Radiology and X-Ray	21,255
21. Other Medical Services	188,917
22. Laundry	9,181
Subtotal - Other Operating Revenue	825,616
24. Contributions	0
25. Interest and Other Investments Income	0
Subtotal - Non-Operating Revenue	0
27. Other Revenue (specify):	577,361
28. Other Revenue (specify):	0
Subtotal - Other Revenue	577,361
30. Total Revenue	13,264,381
31. General Services	1,569,693
32. Health Care	5,155,840
33. General Administration	2,597,053
34. Ownership	1,507,889
35. Special Cost Centers	544,051
35. Provider Participation Fee	122,640
37. Other	0
40. Total Expenses	11,497,166
41. Income Before Income Taxes	1,767,215
42. Income Taxes	0
43. Net Income or Loss for the Year	1,767,215

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21
22
23

Cost Report	
Line	Description
1	Dietary
2	Food Purchase
3	Housekeeping
4	Laundry
5	Heat & Other Utilities
6	Maintenance
8	TOTAL GENERAL SERVICES
10	Nursing & Medical Records
10A	Therapy
11	Activities
12	Social Services
16	TOTAL HEALTH CARE & PROGRAMS
17	Administration
19	Professional Services
21	Clerical & Gen. Office Expense
22	Employee Benefits & PR Taxes
24	Travel & Seminar
26	Insurance-Property, liability & Malpractice
28	TOTAL GENERAL ADMINISTRATIVE
29	TOTAL OPERATING EXPENSES
30	Depreciation
32	Interest
33	Real Estate Taxes
37	TOTAL OWNERSHIP
	TOTAL OPERATING & OWNERSHIP COST

Average Wage Data Table

Total staff hours including contract nurses per diem
Nursing hours including contract nurses per diem
RN
LPN
CNA
DON
ADON

2003 - Staffing and Occupancy Data

Average Occupancy
Medicaid Utilization
Medicare Utilization

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11		

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11		

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11		

Cost Report		Lexington Health Care Center-Lombard	Lexington Health Care Center-Lombard	2005 Census
Line	Description	2005 Costs		71,608
1	Dietary			
2	Food Purchase			
3	Housekeeping			
4	Laundry			
5	Heat & Other Utilities			
6	Maintenance			
8	TOTAL GENERAL SERVICES			
10	Nursing & Medical Records			
10A	Therapy			
11	Activities			
12	Social Services			
16	TOTAL HEALTH CARE & PROGRAMS			
17	Administration			
19	Professional Services			
21	Clerical & Gen. Office Expense			
22	Employee Benefits & PR Taxes			
24	Travel & Seminar			
26	Insurance-Property, liability & Malpractice			
28	TOTAL GENERAL ADMINISTRATIVE			
29	TOTAL OPERATING EXPENSES			
30	Depreciation			
32	Interest			
33	Real Estate Taxes			
37	TOTAL OWNERSHIP			
	TOTAL OPERATING & OWNERSHIP COST			

LTC Median Per Diem Cost by HSA - 2004 Cost Reports
2004 (Run June 1, 2004)

**Lexington
Health
Care
Center-
Lombard
2004
Costs**

Lexington Health
Care
Center-
Lombard
2004
Census

Cost	
Report	
<u>Line</u>	<u>Description</u>
1	Dietary
2	Food Purchase
3	Housekeeping
4	Laundry
5	Heat & Other Utilities
6	Maintenance
8	TOTAL GENERAL SERVICES
10	Nursing & Medical Records
10A	Therapy
11	Activities
12	Social Services
16	TOTAL HEALTH CARE & PROGRAMS
17	Administration
19	Professional Services
21	Clerical & Gen. Office Expense
22	Employee Benefits & PR Taxes
24	Travel & Seminar
26	Insurance-Property, liability & Malpractice
28	TOTAL GENERAL ADMINISTRATIVE
29	TOTAL OPERATING EXPENSES
32	Depreciation
32	Interest
33	Real Estate Taxes
37	TOTAL OWNERSHIP
	TOTAL OPERATING & OWNERSHIP COST

IDPA LTC Profiles
LTC Median Per Diem Cost by HSA - 2003 Cost Reports
2003 (Run June 1, 2004)

UN-INFLATED

Lexington
Health Care
Center-
Lombard

Lexington
Health Care
Center-
Lombard

2003
Census

2003 Costs

Cost Report Line	Description	State-Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11	10th %	90th %
1	Dietary	6.10	7.02	6.48	5.50	6.48	5.48	6.06	6.06	6.06	5.60	7.02	5.70	4.13	9.81
2	Food Purchase	4.31	4.47	4.40	4.27	4.40	3.99	4.31	4.31	4.31	4.28	4.47	4.11	3.36	6.04
3	Housekeeping	3.70	3.59	3.68	2.91	3.68	3.40	4.05	4.05	4.05	3.97	3.59	3.61	2.48	5.80
4	Laundry	1.85	2.23	1.90	1.79	1.90	2.10	1.59	1.59	1.59	1.69	2.23	2.13	0.91	3.14
5	Heat & Other Utilities	2.95	3.17	2.93	2.94	2.93	2.71	2.93	2.93	2.93	2.91	3.17	2.95	2.05	4.25
6	Maintenance	3.01	3.26	3.03	2.99	3.03	2.55	3.21	3.21	3.21	3.05	3.26	2.82	1.92	5.12
8	TOTAL GENERAL SERVICES	22.58	24.49	22.99	21.14	22.99	21.47	22.65	22.65	22.65	22.45	24.49	21.73	17.57	31.51
10	Nursing & Medical Records	41.83	42.52	43.12	38.37	43.12	33.78	45.12	45.12	45.12	47.22	42.52	42.15	27.25	64.47
10A	Therapy	2.10	1.86	2.69	3.34	2.69	3.47	1.45	1.45	1.45	2.41	1.86	2.24	-	10.55
11	Activities	1.91	2.18	1.92	1.61	1.92	1.48	2.16	2.16	2.16	2.05	2.18	1.54	1.06	3.45
12	Social Services	1.42	1.45	1.64	1.05	1.64	1.09	1.60	1.60	1.60	1.12	1.45	1.27	0.58	3.00
16	TOTAL HEALTH CARE & PROGRAMS	49.48	50.39	51.22	46.39	51.22	41.58	52.34	52.34	52.34	54.96	50.39	49.49	32.10	77.23
17	Administration	3.36	3.33	3.15	3.15	3.15	3.60	3.46	3.46	3.46	3.04	3.33	3.17	1.71	7.21
19	Professional Services	0.99	1.09	0.85	0.83	0.85	0.76	1.12	1.12	1.12	1.13	1.09	0.77	0.07	3.44
21	Clerical & Gen. Office Expense	4.79	4.32	4.97	3.98	4.97	3.46	5.56	5.56	5.56	5.04	4.32	4.25	2.49	10.78
22	Employee Benefits & PR Taxes	10.09	10.42	11.01	8.88	11.01	7.67	10.51	10.51	10.51	11.38	10.42	9.08	6.33	19.34
24	Travel & Seminar	0.08	0.10	0.13	0.10	0.13	0.06	0.06	0.06	0.06	0.05	0.10	0.07	-	0.43
26	Insurance-Property, liability & Malpractice	2.58	2.47	2.55	2.35	2.55	2.22	2.85	2.85	2.85	2.19	2.47	2.61	0.88	4.32
28	TOTAL GENERAL ADMINISTRATIVE	24.94	25.31	26.11	23.02	26.11	21.37	25.81	25.81	25.81	26.59	25.31	22.93	16.95	39.14
29	TOTAL OPERATING EXPENSES	98.06	100.77	100.03	92.47	100.03	88.05	100.96	100.96	100.96	103.01	100.77	94.71	69.40	142.56
30	Depreciation	3.70	3.82	4.08	3.29	4.08	2.54	4.11	4.11	4.11	3.54	3.82	3.38	1.01	8.43
32	Interest	2.54	2.81	1.96	2.09	1.96	1.41	4.05	4.05	4.05	2.63	2.81	1.50	-	11.53
33	Real Estate Taxes	1.38	0.92	1.08	0.82	1.08	0.80	3.20	3.20	3.20	1.36	0.92	1.11	-	4.85
37	TOTAL OWNERSHIP	11.11	9.73	9.80	8.00	9.80	7.04	14.54	14.54	14.54	11.02	9.73	8.39	3.76	23.58
	TOTAL OPERATING & OWNERSHIP COST	109.17	110.50	109.83	100.47	109.83	95.09	115.50	115.50	115.50	114.03	110.50	103.10	73.16	166.14

Average Wage Data Table

State-Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11
Total staff hours including contract nurses per diem	5.10	5.30	5.30	5.00	5.30	5.10	4.90	4.90	4.90	5.10	5.30
Nursing hours including contract nurses per diem	2.90	3.20	3.10	3.10	3.10	3.00	2.70	2.70	2.70	3.00	3.20
RN	21.56	21.14	19.99	18.79	19.99	16.66	24.55	24.55	24.55	22.85	21.14
LPN	17.64	17.65	16.41	14.79	16.41	13.36	20.23	20.23	20.23	18.67	17.65
CNA	9.91	10.11	9.89	9.19	9.89	8.28	10.44	10.44	10.44	10.54	10.11
DON	27.82	26.67	24.49	23.07	24.49	20.82	33.29	33.29	33.29	29.65	26.67
ADON	24.39	22.67	21.12	19.67	21.12	18.73	27.45	27.45	27.45	26.14	22.50

2003 - Staffing and Occupancy Data

State-Wide	HSA 1	HSA 2	HSA 3	HSA 4	HSA 5	HSA 6	HSA 7	HSA 8	HSA 9	HSA 10	HSA 11
Average Occupancy	80.80%	80.80%	80.60%	79.90%	80.60%	75.20%	82.00%	82.00%	82.00%	81.60%	80.80%
Medicaid Utilization	64.80%	56.40%	57.70%	59.60%	57.70%	62.80%	70.00%	70.00%	70.00%	64.30%	56.40%
Medicare Utilization	8.50%	7.50%	7.50%	7.70%	7.50%	8.70%	9.10%	9.10%	9.10%	9.30%	7.50%

IDPA LTC Profiles
LTC Median Per Diem Cost by HSA - 2002 Cost Reports
2002 (Run June 1, 2004)

UN-INFLATED

Cost Report	State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	10th %	90th %
Line	Description	1	2	3	4	5	6	7	8	9	10	11		
1	Dietary	6.01	7.28	6.51	5.36	6.51	5.48	5.92	5.92	5.83	7.28	5.60	4.17	9.77
2	Food Purchase	4.27	4.52	4.40	4.15	4.40	3.99	4.31	4.31	4.31	4.11	4.52	3.29	5.90
3	Housekeeping	3.65	3.84	3.56	3.05	3.56	3.25	4.13	4.13	3.89	3.84	3.48	2.51	5.63
4	Laundry	1.90	2.15	2.01	1.72	2.01	2.09	1.67	1.67	1.58	2.15	2.23	1.10	3.13
5	Heat & Other Utilities	2.71	2.84	2.76	2.75	2.76	2.54	2.67	2.67	2.72	2.84	2.73	1.89	4.03
6	Maintenance	2.99	3.41	2.96	2.91	2.96	2.48	3.16	3.16	2.90	3.41	2.92	1.95	5.11
8	TOTAL GENERAL SERVICES	22.09	24.39	22.49	20.85	22.49	20.47	22.71	22.71	22.66	24.39	22.04	17.19	30.80
10	Nursing & Medical Records	40.68	42.79	42.10	37.44	42.10	33.35	43.96	43.96	43.84	42.79	41.16	26.11	62.04
10A	Therapy	1.85	1.90	2.38	2.86	2.38	1.81	1.54	1.54	3.02	1.90	2.27	-	10.03
11	Activities	1.88	2.12	1.89	1.50	1.89	1.37	2.23	2.23	2.10	2.12	1.60	1.13	3.39
12	Social Services	1.44	1.46	1.50	1.08	1.50	1.13	1.61	1.61	1.32	1.46	1.32	0.58	3.00
16	TOTAL HEALTH CARE & PROGRAMS	47.55	50.19	49.32	44.36	49.32	39.56	50.57	50.57	52.75	50.19	47.76	31.31	74.79
17	Administration	3.39	3.49	3.30	3.27	3.30	3.61	3.39	3.39	3.20	3.49	3.54	1.65	6.84
19	Professional Services	0.98	1.00	0.76	0.88	0.76	0.98	1.05	1.05	1.19	1.00	0.72	0.07	2.93
21	Clerical & Gen. Office Expense	4.58	4.07	4.40	3.67	4.40	3.47	5.75	5.75	4.19	4.07	4.31	2.36	10.72
22	Employee Benefits & PR Taxes	9.63	10.11	10.26	8.28	10.26	7.80	10.26	10.26	9.30	10.11	8.44	6.22	17.51
24	Travel & Seminar	0.09	0.12	0.10	0.09	0.10	0.16	0.06	0.06	0.03	0.12	0.09	-	0.37
26	Insurance-Property, liability & Malpractice	2.19	1.93	1.97	1.87	1.97	2.00	2.46	2.46	2.40	1.93	2.03	0.83	3.92
28	TOTAL GENERAL ADMINISTRATIVE	23.47	23.64	24.80	21.32	24.80	20.28	25.17	25.17	23.10	23.64	21.93	16.13	36.02
29	TOTAL OPERATING EXPENSES	94.39	99.26	97.46	85.50	97.46	82.47	99.35	99.35	97.86	99.26	91.33	67.15	138.58
30	Depreciation	3.53	3.13	3.86	3.26	3.86	2.41	4.18	4.18	3.94	3.13	3.04	0.73	8.09
32	Interest	2.73	2.84	2.05	2.60	2.05	1.55	4.55	4.55	2.14	2.84	1.54	-	12.86
33	Real Estate Taxes	1.30	0.77	0.88	0.93	0.88	0.72	3.17	3.17	1.29	0.77	1.03	-	5.05
37	TOTAL OWNERSHIP	11.44	9.19	9.85	8.76	9.85	6.52	15.35	15.35	11.40	9.19	10.00	3.55	24.50
	TOTAL OPERATING & OWNERSHIP COST	105.83	108.45	107.31	94.26	107.31	88.99	114.70	114.70	109.26	108.45	101.30	70.70	163.08

Cost Report	2002 Costs	2002 Census
Line	Description	
1	Dietary	
2	Food Purchase	
3	Housekeeping	
4	Laundry	
5	Heat & Other Utilities	
6	Maintenance	
8	TOTAL GENERAL SERVICES	
10	Nursing & Medical Records	
10A	Therapy	
11	Activities	
12	Social Services	
16	TOTAL HEALTH CARE & PROGRAMS	
17	Administration	
19	Professional Services	
21	Clerical & Gen. Office Expense	
22	Employee Benefits & PR Taxes	
24	Travel & Seminar	
26	Insurance-Property, liability & Malpractice	
28	TOTAL GENERAL ADMINISTRATIVE	
29	TOTAL OPERATING EXPENSES	
30	Depreciation	
32	Interest	
33	Real Estate Taxes	
37	TOTAL OWNERSHIP	
	TOTAL OPERATING & OWNERSHIP COST	

2002 - Average Wage Data Table

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11
Total staff hours including contract nursing per diem	5.20	5.50	5.40	5.00	5.40	5.10	5.00	5.00	4.90	5.50	5.30
Nursing hours including contract nurses per diem	2.80	3.10	3.10	3.00	3.10	2.90	2.60	2.60	2.60	3.10	3.00
RN	20.69	20.12	19.18	18.37	19.18	16.06	23.49	23.49	23.49	21.31	19.45
LPN	16.89	17.04	15.72	14.33	15.72	12.75	19.39	19.39	19.39	17.96	15.69
CNA	9.73	10.05	9.65	9.09	9.65	8.08	10.28	10.28	10.28	10.39	10.05
DON	26.38	24.75	22.98	22.48	22.98	20.02	31.78	31.78	31.78	28.56	23.68
ADON	23.27	21.44	20.51	18.93	20.51	17.26	26.34	26.34	26.34	24.33	21.27

2002 - Staffing and Occupancy Data

State-Wide	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA	HSA
	1	2	3	4	5	6	7	8	9	10	11
Average Occupancy	80.90%	79.60%	81.90%	80.30%	81.90%	75.30%	82.20%	82.20%	82.20%	79.60%	76.60%
Medicaid Utilization	64.50%	55.50%	56.10%	58.50%	56.10%	63.30%	69.90%	69.90%	66.70%	55.50%	60.90%
Medicare Utilization	7.40%	6.80%	7.20%	6.10%	7.20%	7.40%	7.70%	7.70%	8.20%	6.80%	7.00%